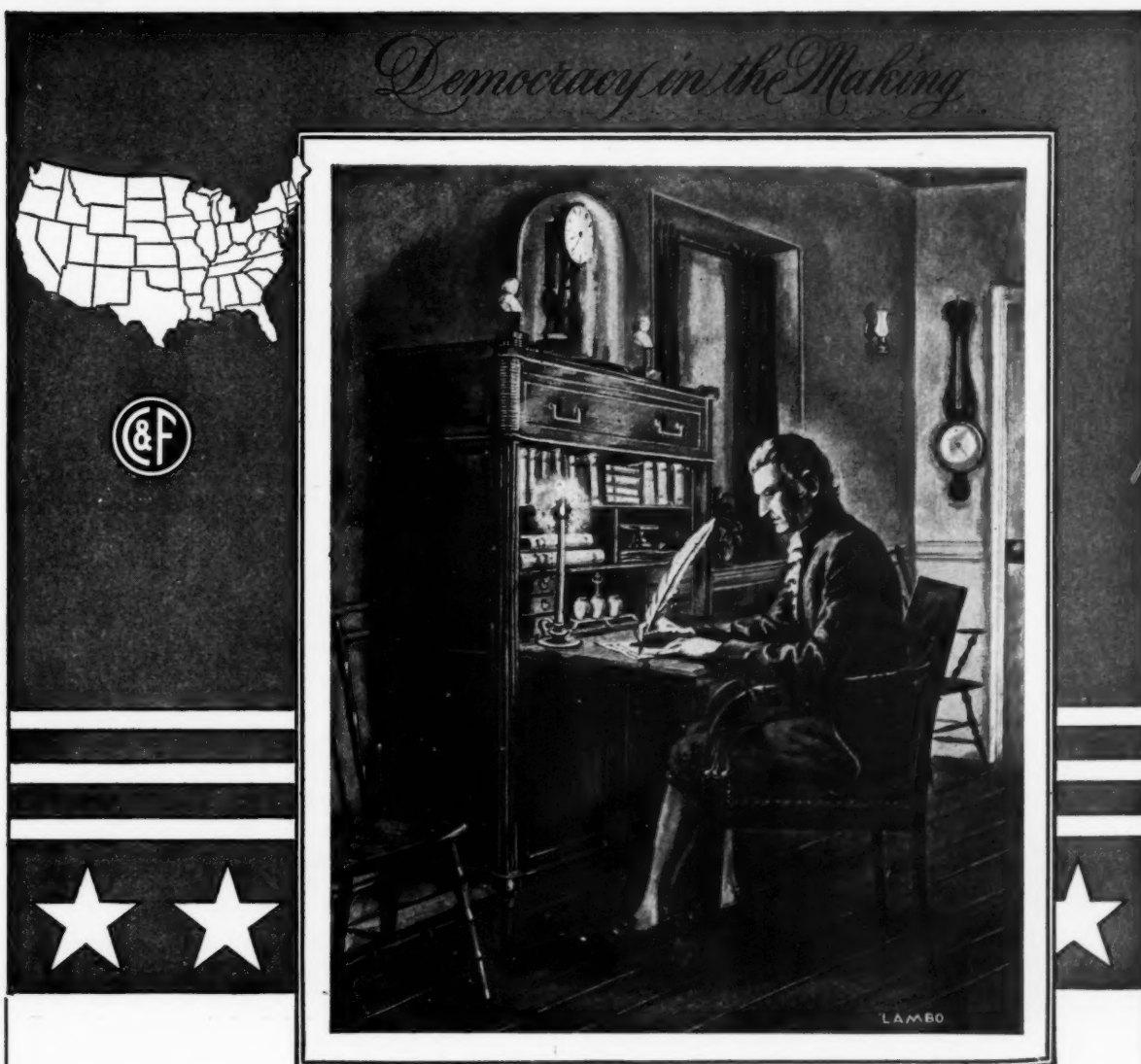


# The NATIONAL UNDERWRITER



THE MONROE DOCTRINE . . . When James Monroe delivered his presidential message to Congress on December 2, 1823, he said in part,

"We owe it therefore to candor, and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system to any portion of this Hemisphere, as dangerous to our peace and safety."

These forty-seven words, known as the Monroe Doctrine, have been accepted without modification through the years by the people of the United States as the cornerstone of American foreign policy, even though Congressional action has never confirmed them.

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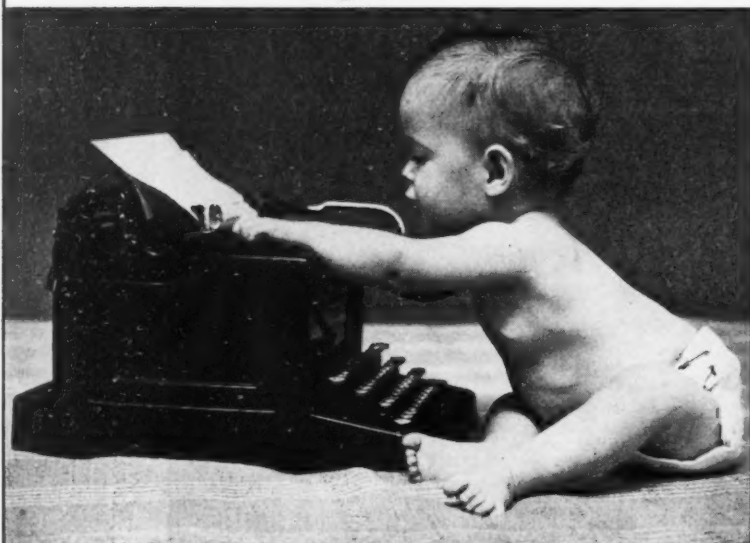
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**FACTS...**

## *the First United States Warship*

JUST 2½ MONTHS after the battle  
of Bunker Hill, in September,  
1775, the Schooner Hannah, cap-  
tained by Nicholson Broughton,  
was commissioned by the United  
Colonies and went into action as  
the first American warship.

AS NAVIES WENT, America's new  
navy was not much: a few frigates,  
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## Flying Enterprise Loss Accents Severe Ocean Loss Season

**Besides \$1,250,000 on  
Hull, Cargo Losses  
of \$1,000,000**

Checks totaling \$800,000 were presented to the brokers handling the Isbrandtsen Co. insurance within 30 hours after the Flying Enterprise went down off the western end of the English Channel. This was the amount of the insurance in the American market on the hull. The presentation was made by C. G. Cornwell, manager of American Marine Hull Insurance Syndicate at New York, and receiving the checks in behalf of the insured were E. H. Ottinger of Frank B. Hall & Co., and Lyton Johnston of McGinness, Johnston & Flanagan, these firms being co-brokers on the line.

There was \$612,500 insurance in the syndicate and the balance of the \$800,000 was made up by insurance in Fire Association, Jefferson Ins. Co., New Zealand, National Union and New Hampshire Fire.

According to an Associated Press dispatch from London, the sinking of Flying Enterprise stands to cost U. S. and British insurers about \$1,750,000.

### \$450,000 Loss in London

Lambert Brothers of London are quoted as saying they will pay \$450,000 to the Isbrandtsen Line in behalf of 20 British insurers and about 30 syndicates at Lloyds.

Percy Chubb II of Chubb & Son stated that \$1,100,000 of cargo insurance on Flying Enterprise had been traced so far to companies in the American market.

London Lloyds has awarded its silver medal for meritorious services to Capt. Kurt Carlsen of Flying Enterprise.

North America paid a \$121,000 cargo loss on the Flying Enterprise. The check was presented to Manfred H. Meyer, broker for the insured.

The publicity given the sinking of the Flying Enterprise focuses attention on the unusual severity of the winter weather which is a trial to the ocean marine people.

Another big loss, yet to be paid, is that on the 7,600 ton freighter, the Pennsylvania, owned by Pacific-Atlantic Steamship Co. That is the vessel that disappeared off the northwest coast, outbound for the Far East from Seattle. The loss on that ship, presumably sunk, will probably exceed the hull loss of \$1,250,000 on the Flying Enterprise. Cargo loss of \$600,000 has already been traced to the ship and that is concededly well below what the eventual loss will be. Marine men point out that the cargoes on these freighters often are insured at values in excess of the hull.

There have been other larger losses that went relatively unpublicized.

The last few weeks have seen some of the worst weather on the Atlantic in years, causing an unusually large number of cargo breakage claims. Also there has been increased pilferage.

The more dramatic losses don't even approach the scope of the losses regularly accumulating through normal operations that find insurers paying sizable claims as a routine operation.

## Escott Retires from Executive Duties at Home

Ivan Escott, the executive vice-president of Home, is retiring at this time.



Ivan Escott

He has been for many years one of the most influential leaders in fire insurance organization affairs, as well as being one of the most important factors at Home.

Mr. Escott will continue as a director of Home, a position to which he was elected in 1948, and President Harold V. Smith remarked that his valuable counsel will continue to be of service to Home and to the industry.

Mr. Escott was born at Milwaukee in 1885 and was educated in Indiana. He started with Indiana Inspection Bureau and went with Home in 1913 as a special agent in Indiana. He later was transferred to New York as assistant to F. N. Griswold, who was general inspector and an outstanding figure in the fire insurance world. On Mr. Griswold's death in 1924, Mr. Escott became the general inspector. Mr. Escott has made important contributions that affected the underwriting and operation of his own company and the insurance business in general. He has an unusually comprehensive grasp of the nation's industrial and commercial operations and their needs for insurance.

### Becomes General Manager

When the brokerage, improved risk, and inspection departments were consolidated to form the service department, Mr. Escott became general manager, and then in 1934 he became assistant secretary. In 1936 he was elected vice-president and given executive supervision of the western, reinsurance and marine departments as well as the service department. For the past several years he has served as titular head of the entire underwriting operations.

A testimonial dinner was tendered Mr. Escott by his associates and a few close friends last Friday night.

## No. America Names Four Resident V. P.s

Four general managers or managers of North America group have been appointed resident vice-president. They are:

Henry C. Thorn, New York City; H. Clifford Mills, Toronto, and Francis F. Owen, San Francisco, all for North America, and Franklin Vanderbilt, New York City, for Indemnity of North America.

The unusual publicity that went with the Flying Enterprise loss, and the fact that it was primarily written from England, resulted in many stories that gave the public the impression that the London marine market was paying most of the loss. Actually American marine underwriters paid 64% of hull loss on the Flying Enterprise. Similarly, they have a majority of the coverage on the Pennsylvania. In addition they have paid substantial cargo losses.

The marine people felt slighted by the stories which they felt ignored their part in the loss payment.

## Louisville Has \$1 Million Loss

Fire loss in the Dixie warehouse at Louisville is quite likely to amount to \$1 million. Principal loss is high-grade magazine paper in rolls belonging to the C. T. Dearing Paper Co. The agency handling the Dearing line is that of Edw. J. Miller & Son.

The value of the paper that was stored in the warehouse is better than \$1 million. The net loss will of course depend on what the salvage turns out to be. Underwriters Salvage Co. of Chicago is on the job.

There was \$150,000 insurance on the warehouse building through the Powell agency of Lexington, Ky. This was an iron clad structure.

The loss is the largest that has occurred in Louisville in a great many years. It is believed to have started from a salamander on the platform, which was used by workmen for warming their hands. Burning oil was thrown onto the paper and there is a theory that there was some combustible material in the wrappers of the paper rolls because of the speed with which the flames took hold. The warehouse was located at Shipp street and the L. & N. tracks.

## N.A.U.A. Gets 2% Net Increase in Ga.

Rate revisions on automobile physical damage coverages have been made in Georgia, the net effect being a 2% premium increase.

The changes are for National Automobile Underwriters Assn. companies effective as of Jan. 14. Rates for comprehensive coverages are reduced 25%, while private passenger car collision rates are up 13%. There is an increase of approximately 25% for collision coverage on truck-type tractors. Collision rates for other commercial vehicles are not effected.

The changes are based on past information plus prospective experience including a factor to allow for increased costs to the companies since June, 1950.

Zack D. Cravey, in announcing the changes said that they should assure a more adequate market for the insurance buying public.

## McFarland Heads Farm Underwriters

John McFarland, manager of American's western department at Rockford,

was elected president of Farm Underwriters Assn. at the annual meeting at Chicago. This consisted of an afternoon business session and dinner. Joseph Cryan of America Fore is vice-president and Kenneth Ogilvie of Western Underwriters Assn. continues as secretary. George Craig of Home is the new chairman of the advisory committee.

H. G. Bannerman of Hartford Fire, the retiring president, emphasized the importance of adhering to sound principles in farm underwriting. He remarked that there is extensive participation in this business now because of farm prosperity. He said there is a tendency in some quarters to discard sound principles in the quest for volume.



John McFarland

## Noronic Owners Offer \$2,150,000 in Settlement

**Figure Is Largest  
Ever Made in a  
Maritime Disaster**

Canada Steamship Lines in the court of Federal Judge Paul Jones at Cleveland, has made an offer of settlement of \$2,150,000 for property damage, personal injuries and death claims arising out of the Noronic disaster of September, 1949. This is the largest offer of settlement involved in any maritime disaster in admiralty history. The next largest settlement was that of the Morro Castle disaster which was in the amount of about \$880,000.

A date for accepting the offer of settlement or for the claimants to answer interrogatories is Feb. 15. It is a virtual certainty that the offer will be accepted.

The principal attorney representing the claimants is Kenneth C. Davies of Detroit. He represented 90 of the 112 claims on account of death that were brought, many of the personal injury claims, all of the subrogation claims that were handled by Western Adjustment and Underwriters Adjusting, along with other insurance subrogation claims. It was he that organized the trial committee. He personally interviewed some 100 survivors and got into the case with both feet so to say.

### P. & I. Cover \$2 Million

Canada Steamship Lines has \$600,000 of protection and indemnity insurance through Great Lakes Syndicate and \$1,400,000 P. & I. cover through London Lloyds. The total amount of the claims filed was some \$19 million. Of the 425 claims, 339 were handled by the trial committee.

A commissioner is to be appointed to divide the amount available among the claimants. It is believed that the property claims will be paid in full, as well the death claims. Many of the latter are for nominal amounts due to the age or circumstances of the victims. Subrogation cases mainly represented baggage and personal effects and losses paid under personal property floaters, etc. The property loss is estimated at about \$125,000. There were 120 deaths as a result of this fire and about 60 persons were seriously injured.

Under the Canadian law on limitation of liability of shipowners, it is necessary (in order for the claimant to defeat limitation of liability) to establish that the owner had prior knowledge of the unseaworthiness of the vessel or its negligent operation. Under the U. S. law, knowledge of the unseaworthiness or negligence is imputed to the owners. If limitation of liability had been applicable here under the Canadian law, the total amount for the claimants would have been \$448,000, whereas under the U. S. law it would have been about \$357,000.

Mr. Davies in a civil action, charged that there was a false ceiling on C deck of Noronic, where the fire broke out and that this served decorative purposes. He alleged that the fire started there and smoldered and a mass of carbon monoxide was built up in that area

(CONTINUED ON PAGE 31)

## Great American Promotes Three in Farm and Hail Department

Great American has promoted Harlan W. Wyant to superintendent of the farm and hail departments at Chicago. T. G. Dahl is secretary and manager of the farm and hail operations of Great American, and Miles C. Formo is assistant manager.

Mr. Wyant started his insurance career with Great American in 1937 as a hail adjuster in Nebraska. He has served as special agent in Kansas, Missouri and Iowa, and last June was promoted to state agent for the farm and hail departments in Iowa. He is a graduate of the University of Nebraska.

Robert M. Gillette and Cramer E. Garst have been promoted to assistant superintendents of the farm department.

Mr. Gillette, who last summer marked his 25th year with Great American, has

been in the Chicago office for many years, and before that was special agent in Wisconsin.

Mr. Garst joined Great American in 1938, and before that was with State Farm Mutual after having been with National Fire. He most recently has been chief underwriter of the farm department.

A. M. Dusablon, who has been chief clerk in the hail department, has been promoted to assistant superintendent of the hail department. He has been with Great American since 1943.

## Now Cotton States Mutual

Cotton Farmers Mutual of Atlanta has changed its name to Cotton States Mutual. D. W. Brooks, president, remarked that many people erroneously assumed they had to be growers of cotton to buy insurance from the organization, and the new name is considered to be more definitive.

## Prudential-Skandia-Hudson Reinsurance Group Is Detached

NEW YORK — Prudential of Great Britain, Skandia and Hudson are now being operated as

a separate and independent group in new quarters at 90 John street here under the executive direction of J. A. Munro. He is president of Prudential and Hudson, and U. S. manager of Skandia.

These companies for many years have operated as a fire and allied lines reinsurer group. They have been managed by the U. S. branch of Royal. However, their business has grown considerably and so as to build their own organization, the long relationship with Royal has been terminated.

Prudential is a New York corporation that was formed in 1922 and is owned by Prudential Assurance, which was founded at London in 1848. Skandia's

U. S. branch entered the U. S. in 1900. It is the oldest reinsurer in America. The parent of the branch is Skandia of Stockholm, founded in 1835. This is the oldest and largest insurance company in Sweden. Hudson is a New York corporation formed in 1918 and is principally owned by Skandia of Stockholm.

Mr. Munro graduated at University of Pennsylvania. He entered insurance with American Foreign Insurance Assn. and after a training course traveled in Japan, China, Philippines and East Indies. He became a branch manager at Singapore and later manager for India. He also traveled in an executive capacity in South America and Europe.

Mr. Munro went with Royal-Liverpool at New York in 1937 as manager of the foreign brokerage department. He served in the army during the second war and at the time of his discharge was a lieutenant colonel. On his return to Royal-Liverpool, he became associated with the management of the three reinsurance companies and subsequently became the executive in charge of these operations.



J. A. Munro

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Andrew Weir Insurance, Ltd., London, England. (Est. 1940)	Reinsurance Company ROSSIA, Ltd., Copenhagen, Denmark. (Est. 1918)
BRITISH COMMERCIAL Insurance Company, Ltd., London, England. (Est. 1908)	Arendal Assurance Company, Limited, Arendal, Norway. (Est. 1860)
LONDON and EDINBURGH Insurance Company, Ltd., London, England. (Est. 1919)	LLOYD MAROCAIN d'Assurances (Est. 1940)
The PRIVATE Insurers Ltd., Copenhagen, Denmark. (Est. 1786)	Compagnie AFRICAINE d'Assurances (Est. 1950)
The COPENHAGEN MARINE Insurance Association, Ltd., Copenhagen, Denmark. (Est. 1852)	The Seven Provinces Insurance Co., Ltd., The Hague, Holland. (Est. 1918)
NEW DANISH Insurance Company of 1864, Ltd., Copenhagen, Denmark. (Est. 1864)	The New First Netherlands Co., The Hague, Holland. (Est. 1925)
(Reinsured 71.429% by The General Insurance Company HELVETIA, Limited, St. Gall, Switzerland) (Est. 1858)	Vanguard Insurance Co., Ltd., Sydney, Australia. (Est. 1951)
Reinsurance Company SALAMANDRA, Ltd., Copenhagen, Denmark. (Est. 1918)	Eagle Insurance Co., Ltd., Paris, France. (Est. 1921)
	Sun Insurance Co., Ltd., Paris, France. (Est. 1921)

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Surplus Lines

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## Insurer Loses Right to Proof of Loss by Failing to Request It

If an insurance company enters into negotiations with an insured relative to the amount of a fire loss and makes no demand for a proof of loss, that action constitutes a waiver of the requirement for a formal proof of loss, Oklahoma supreme court held in Hartford Fire vs. Clark.

This was a case in which J. T. Clark sued Hartford for \$1,800, the face amount of his policy, for damages in a fire. It was agreed that the fire loss was in excess of the policy amount. When Clark won the case in a lower court, Hartford appealed on the grounds that Clark had failed to prove that the company furnished a waiver of proof of loss, and that Clark settled with the person causing the fire thus depriving Hartford of its right of subrogation.

### Agree Loss Exceeds Policy Limits

When the fire occurred it was agreed between Clark and the adjuster that the loss exceeded the policy limits and also that there was a good cause of action against the person causing the fire. Another representative called on Clark offering to pay him the full proceeds of the policy, but asking Clark to execute an assignment allowing Hartford to subrogate against the person causing the fire. Clark wouldn't do this because the assignment purported to give all cause of action to Hartford and not just the proportionate covering the \$1,800 insurance.

Finally, Clark hired a lawyer and an acceptable subrogation agreement was made. During these negotiations no demand was made by Hartford for a proof of loss, and the negotiations were broken off because Hartford contended that during the discussions Clark settled with the person causing the fire and destroyed its right of subrogation. Clark contended that the conduct on the part of Hartford constituted a waiver of a formal proof of loss, and the supreme court agreed.

On the question of whether Hartford's right of subrogation was destroyed, the court noted that Clark did receive furniture valued at \$1000 from the person who was alleged to have caused the fire, but it was denied by Clark that this was in settlement of the claim, since he has instituted suit to recover \$9,800, less credit for the furniture given him. In the lower court the jury found for Clark on the issue of settlement. The case is Hartford Fire vs. Clark and is reported in 7 CCH Fire & Casualty 683.

## Higher Registered Mailing Rate Sparks Interest in First Class Mail Policies

Several insurance offices have been receiving inquiries from dealers in stocks and securities as to the availability of insurance covering first class mailing of non-negotiable securities. Interest in this coverage was sparked by the postoffice increase in registered mail rates.

Inland Marine Insurance Bureau has two forms under which the coverage can be written. There are two insuring sections under the first, one covering mailing to other security dealers, banks, etc., and the other covering mailing to clients. The cost for mailing non-negotiable securities to banks, etc., is 3 cents per \$1,000, and for mailing to clients it is 8 cents. The form also covers first class mailing of negotiable securities to banks, etc., at a cost of 12 cents per \$1,000.

The second form, termed form "B", covers first class mailing of non-negotiable securities at a cost of 10 cents per envelope, with liability limited to \$500 per envelope. There is a minimum annual premium of \$50.

The rate for registered mailing of negotiable securities is 4 cents per \$1,000, and for non-negotiables, 25% of that, or 1 cent.

Loss under a first class mail policy covering non-negotiables would be the cost of a loss payment bond.

In some cases it would be less expensive for the security dealer to mail first class and pay the higher insurance charge, especially if shipments generally are of a small size. With sizable shipments, however, it usually would be to the dealer's advantage to use registered mail. Some large security houses use both methods.

Some years ago there was considerable agitation for broad first class mail policies. However, because postoffice officials felt that such coverage would put insurance in competition with registered mailing, the companies never issued a comprehensive form.

## Mich. Department Workshop

A 10-months' workshop session for employees of the Michigan department has been launched at Michigan State College. One such training period, each of a day's duration, is to be held each month through October.

First of the workshops, all of which are designed to fit department staff members more efficiently into their positions, was given for women employees, with the major theme training in effective communications.



## W. G. Shipe, Western Field Veteran, Is Retiring

W. G. Shipe, resident secretary at Chicago for New Hampshire group is retiring Feb. 1. He has been with the companies for 34 years.



W. G. Shipe

Mr. Shipe started his insurance career in 1910 as Illinois farm special agent of Fidelity-Phenix. In 1911 he went to Oklahoma as special agent for that company, and in 1913 he transferred to Missouri as special agent with headquarters at Kansas City. Mr. Shipe joined New Hampshire in 1918 as state agent in Missouri and Kansas. In 1932 he transferred to Illinois as state agent with headquarters at Chicago. He was made general agent in 1938, supervising all states in Western Underwriters Assn. territory, and he became resident secretary for the western states in 1949. He served for five years on the executive committee of the old Illinois State Board, and held various offices in the Missouri Fire Underwriters Assn.

Mr. Shipe was guest of honor at a dinner at the Conrad Hilton hotel at Chicago last week that was attended by President Lester S. Harvey of New Hampshire and Vice-Presidents Henry F. Berry and Austin V. McKowen, together with five field men, the oldest in point of service who represented the entire field force. The field men attending were George V. Firestone, Denver; Clyde W. Blackard, Indianapolis; Harry W. Dunker, Cedar Rapids; C. M. Wilcox, Bloomington, Ill., and F. E. Hill, Columbus. Also attending were Fred J. Sauter, Fred D. Sauter, and Charles P. Tracy of Fred J. Sauter Co., Cook county managers of New Hampshire, and Robert A. Gielow of Cloidt, Gielow & Dudley agency of Chicago.

H. C. Ferry, who has been general agent since 1949, will assume the management of the field force in the western territory. Mr. Ferry has been with New Hampshire since 1919, starting as special agent under Mr. Shipe in Missouri. He took over that field as state agent in 1932, and moved to Chicago as assistant general agent in 1948.

## Multiple Line Reinsurance Is Welcomed in Ohio

The action of Superintendent Robinson of Ohio in approving multiple line underwriting in the state insofar as reinsurance is concerned has already had quite an effect. A number of fire companies have already made their facilities available to reinsure Ohio casualty risks and there appears to be quite an active market created as a result of this ruling. The action permitting cross reinsurance came in the form of Mr. Robinson rescinding a ruling of May 11, 1951 which had prohibited such practices. He said that a number of the insurance people had beseeched him to reconsider, so he submitted the question to the attorney general. The latter found that there was nothing in the particular statutes that had formed the basis of Mr. Robinson's ruling of May 11, to prohibit cross-reinsurance. That was regarded as rather surprising by insurance people who felt that the statutes were explicit.

## Philadelphia Buyers Organize

A Philadelphia chapter of National Insurance Buyers Assn. has been organized. T. R. Ambler, Smith, Kline & French Laboratories arranged the meeting and presided as chairman. A steering committee was appointed to draw up

by-laws, and at the next meeting these will be presented and officers elected.

Russell B. Gallagher, Philco Corp., is chairman of the steering committee, and members are—E. C. Eisenhart, Curtis Publishing Co.; Hermon Anderson, Fidelity Mutual Life; J. Stephen Peters, Pennsylvania Salt Manufacturing Co.; William H. Lockard, Publiker Industries, and Frank W. Pennartz, Food Fair Stores.

Fred W. Piercey has been appointed manager of the claims department at the home office of Planet.

## Mutual Agents Schedule '53 Meeting for Chicago

Following a meeting of its executive committee, E. F. High, president of National Assn. of Mutual Insurance Agents, announced its 1953 annual convention will be held in October, in Chicago.

The executive committee: (1) instructed the agency management committee to consider employing an outside firm to study improvement of office efficiency and recommend a standard system of management and account-

ing, and the possibility of mutual companies joining in the survey; (2) considered possibilities of reducing paper work in writing and renewing policies; (3) approved recommendation of the educational committee and authorized a campaign to acquaint members with a new study course, and (4) heard a report from Henry D. Bean, Haddonfield, N. J., on all industry committee activities with respect to compulsory auto insurance.

John E. Nagle has been named an associate adjuster of the H. E. Licht Adjustment Service at Cedar Rapids, Ia.



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"And I came home with the answer to another problem!"

"My son was going to the next session at the Hartford Training Center, but Uncle Sam got first call. Who's going to help me now? I've seen how the Training Center assists insurance men

and women of all ages to do a better job at their respective positions. It's just the place for one of the young men or women in my office to get that extra know-how that can mean so much to me and my business."

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## Shape Up Local Board Placement for Evansville

Mayor Roberts and City Comptroller Oxley of Evansville, Ind., have under advisement a proposal of Evansville Insurance Agents Assn. for local board placement of the city's insurance. Since 1947 such a plan has been in effect on the school insurance. Jack Strassweg, president of the local board, said that the commissions would be distributed among the members in proportion to dues and a committee would supervise the line. The program would cover fire and E. C., automobile, compensation, public liability, burglary and inland marine.

Mayor Roberts indicated approval of

the plan and said it would take the insurance business out of politics. He said the school officials are well satisfied with their plan. He accepted the offer of Mr. Strassweg for the association to issue a binder on the lapsing insurance pending final arrangements. Mr. Strassweg said 62 agencies belong to the local board and write 85% of the business done in Evansville. However, Southern Indiana Assn. of Insurance Agents submitted a similar plan and Mr. Roberts suggested that the two groups get together and offer a joint proposal.

Stettin Mutual Fire, Marathon, Wis., will now issue a package policy, to include wind and hail storm damage with fire.

## Farm Agents Get 5% More Commission for Note Business

Following the lead of America Fore group, most of the stock companies have raised agents' commissions on installment note farm business from 20% to 25%.

There are three types of premium payment plans in the farm business, the installment note, installment payment, and annual extension. The latter two had already been paying 25% commission, but also they involve collection of premiums by the agent, whereas the installment note business is collected by the companies.

The installment payment plans are relatively new for the farm writers and came in by way of the recording departments when they were introduced for the city business. The premiums on installment payment plans are 100% for the first year and 78% or 80% for the four succeeding years.

For the installment note plans, the rate is  $\frac{1}{4}$ th of the total each year with a carrying charge of 4.2 or 4.12. This carrying charge rate was reduced only a few months ago from 4.5.

The big farm writers do the bulk of the installment note business, especially in Tennessee, Kentucky, Indiana and Missouri. The largest farm writers among the stock companies are American Fore, Home, Hartford and Aetna Fire.

There have been a lot of newcomers to the farm business in recent years following a 10-year span of good experience. These companies have, for the most part, employed the installment payment plan of commission.

In its letter to agents, America Fore commented that farm rates recently have been reduced and the carrying charge on the installment note plan has been reduced also, thus lowering the income of the farm-writing agent. The extra 5% commission is intended, therefore, to restore to the agent in some measure what he has lost in the way of income.

## Annual Renewal Certificate Form Issued in South

A new form of annual renewal certificate for use in Southeastern Underwriters Assn. territory has been issued in the states of that jurisdiction. Arranged to correspond with the layout of the new one-write type of policy, the certificate requires sufficient information to make auditing by rating bureaus possible. Its use is optional, companies which prefer to prepare their own forms being permitted to do so.

The mailing memorandum on the new certificate points out that it is possible to type in the contents of this form without altering the tab settings used for typing the one-write policy. As on the new policy, the number and edition date of each descriptive form and endorsement used must be inserted in the proper space. If an old type of form, which requires typing, is attached, the words, "See form attached," must be written in the box provided on the renewal certificate and a copy must be attached for use by the rating bureau.

It has been carefully noted by S.E.U.A. that any change in the policy, even if made at a renewal date, must be accomplished on an endorsement form.

## Canadian Hail Men Elect

G. A. Ewart, Rain & Hail Insurance Bureau, Regina, has been elected president of Canadian Hail Underwriters Assn. Vice-president is Robert Rankin, Phoenix-Connecticut, Winnipeg. On the executive committee are O. D. Loudon, Home, Calgary; J. N. Conner, America Fore; W. R. Cope, Hartford Fire, Winnipeg; J. F. McQueen, Great American, Saskatoon; R. F. Swaine, Canadian Security, Winnipeg.

## Quick Action on Va. Code Bill Is Aim

RICHMOND—The Virginia insurance code bill has now been introduced in the legislature which went into session Jan. 9. This is a monumental document, not only because of its bulk (it runs to 267 closely printed pages) but because it represents the product of deliberations over a four-year span. It is a recodification and a revision. There are a great number of substantive changes but there is nothing of an explosive nature or even of a highly controversial nature involved and the aim is going to be to get the bill through by unanimous consent.

The four-year study was conducted by Virginia Advisory Legislative Council, the committee embracing all elements of the business, the chairman being E. T. DeJarnette, prominent local agent of Richmond who is also a member of the lower house of the Virginia assembly and who introduced the bill in his chamber.

Strangely enough there was only one hearing held on the bill, this being a two-day session in September. At that time a number of changes were proposed, mainly by the life insurance company interests, and these appeared to be mainly of an editorial nature. The work previously had been done at meetings and with the various representatives being in touch at all times with the groups that they represented.

## Aero Associates Names Three at Chicago

Aero Associates have made three appointments at Chicago.

Frank J. Radek, underwriting superintendent, has been promoted to assistant secretary. He was formerly service office manager for the old Aero Insurance Underwriters at Columbus, and later was at Chicago for that company. He also was for a time with Stewart-Smith (Illinois).

Eugene C. Sutton has been named claims engineer to succeed G. A. Palmquist, who has gone with the aviation division of Butler Company. Mr. Sutton was a stunt flyer for a time and for several years was chief pilot for one of the airlines. During the war he was a flight commander of an army contract school and later was engineer in the Chicago office of Aero Underwriters, and after that organization went out of business, he entered the aviation department of Toplis & Harding.

Joseph A. Wasson has joined Aero Associates in the underwriting department. He has been in the insurance business for 30 years and has served as manager for Aero Underwriters at Dallas, and for three years was manager there for United States Aviation Underwriters. Prior to joining Aero Associates he was in charge of the aviation department of Stewart-Smith (Illinois).

Aero Associates are moving the Chicago office to larger quarters on the 35th floor of the Board of Trade building as of Feb. 1.

## Elect at Baytown, Tex.

Baytown (Tex.) Insurance Exchange has elected Darrell Tuck president, to succeed G. V. Daniel, who has been elected regional vice-president of Texas Assn. of Insurance Agents. Steele McDonald was reelected vice-president, and B. A. Stewart was elected secretary.

## Koeppel to Newark Agency

Arthur E. Koeppel, Jr., who has been secretary-treasurer of the E. J. Habrich agency of Hackensack, has joined the Thoms-Merrill & Co. agency of Newark. Mr. Koeppel last year was secretary-treasurer of Northern New Jersey C.P.C.U., and is president of Hackensack Assn. of Insurance Agents.

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## Stirring Message from N. M. Agent

Companies represented in the Clayton Abstract Co. agency at Clayton, N. M., are still talking about the letter received from D. D. Monroe, secretary of that agency, in remitting year-end balances. The sentiment expressed and the phraseology made a deep impression. The letter reads:

We enclose remittances for all balances due from this agency for business through October, 1951. Account for November has heretofore been submitted and we now also enclose account current for December, showing all business to date. With the forwarding of these items we are closing our books for the year. Any new business, endorsements, cancellations, or other transactions, occurring during the remainder of this calendar year will be carried over and reported in our January, 1952, account.

The writer has just returned to the office from a swing around the country—a little down-hearted. Wherever he went, all the speeches heard, all the talk in smokers, at parties, and elsewhere where men congregated was of failure in Korea, failure of United Nations, of graft and dishonesty in high places, of inflation, or doubt and of distrust. Yes, we returned to our desk about as low as an earth-worm with four flats. Then we began to close our books for the year, and we found that we had enjoyed a good year of relations with our companies, and a good year of business (for our relatively small agency); that most of our clients had paid, promptly; that our losses had been relatively few and we began to cheer up a bit. Then, as we wrote the checks with a feeling of absolute confidence that the bank would still be in business and paying off when they were presented, and that they would be paid at par; as we wrote, over and over again, the word "insurance," the magic of the word, with its absolute promise of restitution, its positive implication of confidence per se, its warranty of permanence, of endurance and of progress brought a warm feeling of stability; and we began to feel that we are a part of the best business on earth, and ought to be very thankful for it.

So, in the hope these reflections may buoy the spirits of any one else who may have felt the lowering influences of the times, we pass them on (as we have done for so many years at this season) with thanks to all through whose hands our efforts pass or to whose notice they may come, for the kindnesses and courtesies extended us through the past year; to express to every one the Yuletide wishes, and the prayer of Tiny Tim; and, finally, to wish every one, in the native language of this country: "Salud y Pesetas" in 1952.

### Arsonist Confesses in \$100,000 Southern Ill. Fire

Marvin O. Smith has confessed setting the fire that destroyed the business district at Prairie City, Ill., March 29, 1951. He had a dairy store there and was pressed financially, and said he set the fire to collect \$3,250 insurance. He said he poured three gallons of gasoline over his merchandise and then placed a book of matches on top of a hot plate which he turned on. The total fire loss was estimated at \$100,000. The National Board of Fire Underwriters is currently investigating the case.

### Trace Cotton Cover Abroad

The cradle of the grave cotton insurance coverage that has been stirring up southern agents has apparently been placed through American Fidelity & Casualty of Richmond and reinsured in London. This is the coverage that is being offered by Federal Compress & Warehouse Co. of Memphis. Local agents in the south have been losing business since the coverage was announced early in December. American companies haven't

been writing flood cover.

Stewart, Smith & Co. handled the placement for the Memphis brokerage firm of Whitfield King & Co. The line there was said to have been handled by Harold White, brother of Edward White of White & Camby, the big New York City agency.

Originally, pieces of the line had been written in Firemen's of Newark and North America. The former broker was Frank J. Wise of Booth, Potter, Seal & Co. of Philadelphia. On a reinsurance basis some of this went into Cotton Fire

& Marine Underwriters Assn. These lines were canceled when the new coverage became effective.

### Opens Pacific Department

Lumbermens Mutual of Ohio has opened a Pacific department at Los Angeles. Operations are expected to be under way by the latter part of February. The Los Angeles office will service agents in southern California and Arizona. Later plans include the establishment of a San Francisco office.

Manager of the Pacific department is

LaVerne G. Toms, who was a field man for Lumbermens for several years in Ohio and Indiana. The underwriting department will be headed by Darrel A. Nichols, Jr., who has had many years of underwriting experience at the home office.

### Greenwich Board Elects Dayton

The Greenwich, Conn., board has elected Charles H. Dayton president; Charles T. Glines, vice-president Nelson I. Beers, secretary and Edward L. Tracy, treasurer.



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## U. S. Reinsurance Ceded Abroad Is \$130 Million

### Department of Commerce Makes Known Results of Survey

WASHINGTON—Results of the survey of international insurance operations inaugurated by Jerome Sachs, chief of the Department of Commerce insurance division, some time ago are publicized in a departmental report on reinsurance premiums paid to foreign companies.

This shows U. S. insurance companies paid \$129.4 million reinsurance premiums to foreign companies in 1950 and recovered losses amounting to \$83.7 million.

#### Transferring Liability

The department pointed out that "by reinsuring abroad the American companies are able to transfer to the foreign companies a portion of the liability which they have assumed. The proportion of American insurance which is reinsured abroad is now quite small relative to the total volume of American underwriting," the department continued, "but the amount of dollars received by foreign countries through these transactions is still of importance."

A department statement said: "In comparing preliminary tabulations for 1950 with data for 1949, the department's office of business economics and office of international trade found very little variation. Premiums paid to for-

eign insurers were up \$3.5 million while losses recovered rose by \$11.9 million, so that in 1950 net outpayments to foreign reinsurers amounted to \$45.7 million as against \$54.1 million in 1949. Most of the transactions were with British companies.

"There is also a small volume of insurance risks assumed from foreign in-

surers by American companies. American insurance companies received \$17.4 million in premiums on such reinsurance in 1950, against which they paid out \$10.7 million in losses. The premiums were up \$3.3 million over 1949 and losses paid rose only \$500,000."

A summary of the reported data is provided in the following table:

Reinsurance Transactions of United States Insurance Companies With Insurers Resident Abroad, During 1950				
Type of insurance company	(millions of dollars) Net premiums paid on reinsurance ceded to insurance companies resident abroad	Net premiums received on reinsurance assumed from insurance companies resident abroad	Losses recovered from insurance companies resident abroad	Losses paid to insurance companies resident abroad
Fire—marine .....	72.9	6.9	48.4	4.0
Casualty .....	17.6	.9	10.3	.8
Fire—Marine and casualty (cannot be segregated) .....	36.2	8.8	22.8	5.4
Life .....	2.7	.8	2.2	.5
Total 1950 .....	129.4	17.4	83.7	10.7
Total 1949 .....	125.9	14.1	71.8	10.2

#### Workshop Session at Flint

Flint Assn. of Insurance Agents and the Michigan State College continuing education service sponsored a workshop session for agency office personnel of the Flint area. Mrs. Harriet Concenia of Finnell & Finnell, Royal Oak, discussed office practices in the fire field. There was discussion also of automobile and casualty problems.

#### Barton Boston C.P.C.U. Chief

John E. Barton, Lumbermen's Mutual Casualty, was reelected president of Boston C.P.C.U. chapter at its annual meeting. William P. Arnold, Indemnity of North America, was renamed vice-president, and Harold W. Early, Liberty Mutual, was chosen treasurer.

#### Third Generation in Agency

ST LOUIS—The third generation of the Hemenway family became associated with Insurance Board of St. Louis when W. D. Hemenway, III, was enrolled as an active member. Like his father and his late grandfather, he is associated with Insurance Agency Co.

The grandfather, W. D. Hemenway, traveled for Phoenix of London before entering the agency end of the business about 1882 as a member of the agency of Rose & Hemenway. Later the agency became Peugnet & Hemenway.

In 1903 Peugnet & Hemenway merged with three other St. Louis agencies—Roslyn & Robyn, H. M. Blossom agency and Moses Fraley agency—to form the present Insurance Agency Co. Mr. Hemenway was then secretary of the old St. Louis Board of Fire Underwriters, predecessor of the present board. Later he served as president and on the executive committee for many years.

W. D. Hemenway, Jr., like his father, early in his insurance career became associated with the St. Louis agents organization, serving on its executive committee and as vice-president about 15 years ago.

#### Reelect at Louisville

LOUISVILLE—Louisville Board of Insurance Agents at its annual meeting reelected all officers. President is W. W. Gaunt, Jr., and vice-president, James W. Henning. Peyton B. Bethel was reelected executive secretary-treasurer, a post he has held for a number of years.

Among guests present were Commissioner Southall, Col. John Krusenklau, Louisville fire chief; Harold Foster, director of the Louisville fire prevention bureau; George H. Parker, Kentucky Inspection Bureau; W. F. Clark, Kentucky Inspection Bureau.

President W. Gaunt in his report called attention to the fact that Kentucky Assn. of Insurance Agents Board will reach its centennial in 1954, and said plans should now be started for a fitting celebration.

#### Pacific C.P.C.U.s Elect

The Pacific C.P.C.U. chapter at Los Angeles has elected Donald E. Walker, Phoenix-Connecticut group, president; T. Gordon Hull, General of Seattle, vice-president; W. E. Winebrenner, American International Underwriters, secretary, and Kenneth M. Hough, Anchor Casualty, treasurer. New directors are Robert A. Dawson, local agent at Pasadena; Edgar H. Donaldson, Paul H. Talbert agency; Charles E. Jacobs, local agent at Los Angeles, and Charles R. Rathbun, American.

## Royal Chiefs Honor Cincinnati Agency's 100th Anniversary

CINCINNATI — Clarke Smith and Elmer Vorhis, deputy U. S. managers of Royal, helped honor the 11th anniversary of Law's Insurance Agency here at a luncheon Wednesday. The agency, which is owned by the Earls family and operated jointly with the Earls-Blain agency, has represented Royal continuously since it was founded in 1852 by Dr. John S. Law.

W. A. Earls, president of the agency since he acquired control in 1922, was presented a clock-barometer by the Royal contingent, which, in addition to Messrs. Smith and Vorhis, included R. C. Walker, regional manager at Cleveland, and R. E. Sewell, state agent at Cincinnati.

Dr. Law, who had practiced medicine in Savannah, came to Cincinnati with the first Nicholas Longworth, both of whom disapproved of slavery. He had known a Royal representative at Savannah and as a result was appointed the third Royal agent in the United States. His son, John H. Law, soon joined him and in 1871 the firm was named John S. Law & Son. Following Dr. Law's death in 1877, two other sons, Charles H. and George W., went into the agency. It is estimated that the Law's agency has written \$15 million premiums during its 100-year history.

Since Mr. Earls acquired the Laws agency in 1922, that firm and Earls-Blain agency have maintained separate identities, but they are jointly owned and managed. Mr. Earls is past president of Cincinnati Fire Underwriters Assn. and Ohio Assn. of Insurance Agents. His son, Thomas W., vice-president of the agency, is district trustee of the Ohio association and vice-president of National Assn. of Casualty & Surety Agents. Another son, John V., is secretary of the agency and a third, William T., is Cincinnati general agent of Mutual Benefit Life.

#### I. M. Claim Men Talk Shop

Inland Marine Claims Assn. at its January dinner meeting at New York discussed current problems including the possibility of establishing a group of four or five members to act as a research board to delve deeper into problems brought out at each of the forum discussions but which are not answered to the satisfaction of everyone. The board would present its answer at the ensuing meeting.

Members don't like the current procedure of the New York City police department by which they are required to submit a form to the department and then wait for an answer on the question of whether or not a burglary or theft was reported to the police. Formerly they could get an answer to such a question immediately. They don't like the delay involved in the present method.

The association now has 102 members countrywide including cities in New York, Massachusetts, New Jersey, Pennsylvania, Georgia, California and Illinois. A meeting was scheduled this week by a committee of the association to discuss a request from Boston members that they go ahead with the formation of a Boston chapter of the association.

The new president of the I.M.C.A. is James A. Cooper, Fireman's Fund. The monthly dinner meeting will henceforth be held regularly on the second Wednesday of each month.

#### Dye Cleveland Trustee

C. B. Dye, vice-president of the Brooks & Stafford agency has been appointed a trustee of Insurance Board of Cleveland to fill the unexpired term of C. A. Collier, who is resigning for health reasons. Mr. Collier was president of the board in 1949 and 1950.

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## COMPANIES

### North British Makes Shifts in Accounting Department

Frank Trost, assistant secretary of North British has been transferred to the financial and secretary's department under R. P. Stockham, assistant U. S. manager and secretary.

In a redistribution of responsibilities in the accounting department, which remains under the over-all direction of Assistant Secretary Martin Luther, Alfred H. Lies has been advanced to superintendent of accounts and is responsible for the general accounting division as well as the audits division.

Robert J. Paisley has been promoted to chief auditor and, along with Clinton V. Pearsall, chief accountant, will aid Mr. Lies in the supervision of the audits division. Eugene Staggs, comptroller, is now in charge of the statistical division.

### Ely Made North America Counsel, Phillips Associate

North America has appointed Robert H. Ely, III, counsel and John C. Phillips, associate counsel. Roscoe R. Koch, assistant counsel since 1931, has retired at his own request.

Mr. Ely, a graduate of Princeton and University of Pennsylvania law school, joined North America as assistant counsel in 1946 shortly after discharge from the navy.

Mr. Phillips graduated from Penn State and University of Pennsylvania law school. Following discharge from the navy he became a deputy attorney general of Pennsylvania. He joined North America as assistant counsel in 1949.

### Phoenix Amendments Up

The annual meeting of Phoenix of Hartford, the first to be held at the new home office building, will take up acceptance of the amendments to the charter enacted at the last session of the Connecticut legislature. The amendment provides for increase in the authorized capital from \$10 million to \$20 million. It also permits increasing the number of directors from 15 to 21.

### State of Pa. Dividend

State of Pa. has paid a dividend of 60 cents to stock of record Jan. 14. At the same time last year, a dividend of 50 cents was paid and then there was another 50 cent dividend in July of 1951.

### Budlong Joins Coast Paper

Roger Budlong, formerly with New York Journal of Commerce, has joined Northwest Insurance News at Portland, Ore., in an editorial capacity. Until he went with the Journal of Commerce several months ago on its insurance page, he was publisher of a magazine for insurance buyers, National Insurance Buyer, now part of the Weekly Underwriter. He has been in insurance publishing about 15 years.

### Cheek Seeks Reelection

RALEIGH—Commissioner Cheek has announced that he is a candidate for reelection subject to the Democratic primary May 31. He is, so far, unopposed.

Mr. Cheek, now 39 and a graduate of Wake Forest College, was appointed in June, 1949, to succeed William P. Hodges, who resigned to accept a company position. In November, 1950, Mr. Cheek was elected to the remaining

two years of the Hodges term. This will be his first race for a full four-year term.

### Ambrose Kelly Named

Ambrose B. Kelly, associate general counsel of Associated Factory Mutual Fire Insurance Companies, has been appointed chairman of the fire insurance committee of American Bar Assn. insurance section. This committee is annotating the standard fire policy with M. L. Landis of Central Manufacturers Mutual as chairman of the subcommittee. Vice-chairmen of the fire insurance committee are William C. Fraser of Omaha, Paul H. Heineke of Chicago, and George D. Vail, Jr., New York.

### Swats Heads N.A.S.F.C.A.

O. L. Swats of Grinnell Company was elected president of National Automatic Sprinkler & Fire Control Assn. at its meeting at New York.

### Hoge Joins General Agency

Charles Hoge, staff engineer at Louisville of America Fore is joining American Agency Service, Louisville general agency, as a special agent.

### Air Force Needs Civilian Insurance Man at Dayton

DAYTON—Air material command headquarters at Wright Field here is seeking an insurance examiner to review insurance programs of air force contractors under the defense projects rating plan. The position is under civil service and pays \$5,060 per year.

Civil service requirements for this position are a combination of legal and insurance background. There is a requirement of three years of legal or quasi-legal experience, but a degree in law or business administration may be substituted for this, and successful completion of study with specialization in law or business administration without a degree may be substituted on a basis of one year of education for nine months' experience. The position also requires two years experience in an organization engaged in general insurance functions, other than life, including one year of casualty experience, specializing in workmen's compensation. The only age limit is the standard civil service one of 18-25, which is revised for veterans.

Applications may be sent to Wright-Patterson Air Force Base, Employment

Branch, Fourth and Main Streets, Dayton, Ohio, Attention: M C A C X C 33. The application is the regular one for federal employment, standards form 57, and may be obtained at any first-class or second-class post office.

### Cumberland Assn. Elects

Cumberland County (N. J.) Assn. of Insurance Agents has elected Robert W. Hutchinson, president; John Sheiry, vice-president; Lewis De Marco, Vine-land, secretary.

### Three Centenarians in 1952

During 1952, Farmers Mutual Fire of Marshalltown, Del., North Yarmouth Mutual Fire of Yarmouth, Me., and Stratford Mutual Fire of Center Stratford, N. H., will become centenarians. American Mutual Alliance states that there are 108 century old mutual fire companies.

### Opens Newark, O., Branch

Western Adjustment has opened a branch at Newark, O. J. H. McKendrick will be resident adjuster, assisted by R. E. Wright. Both have been with the Columbus office.

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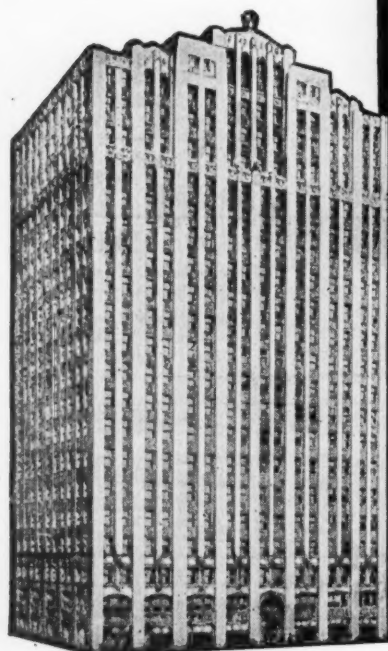
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## New North America Managers at N. Y.

North America has promoted Thomas M. Torey to manager at New York, in which position he joins Malcolm M. Dickinson.

Indemnity of North America has named E. Q. Field casualty manager. Brice Frey has been advanced to assistant manager. He and Assistant Manager Edward Farr, Jr., will assume responsibilities for casualty underwriting and producing. The bonding departments remain under James R. Rooney.

Mr. Torrey joined the company as a clerk in the marine department in 1934. After wartime service in the coast guard he became an underwriter. He became assistant manager in 1948.

Mr. Field joined the company as an underwriter in 1937 and became assistant manager of the casualty department in 1945. Mr. Frey graduated from Harvard and joined the company in 1939. He is an air force veteran. Mr. Farr has been assistant manager since 1945.

## Wind or Windstorm at 31 MPH Is Jury Question

The question of what caused a collapse loss was properly one for the jury to decide, and the question of insurable interest in the property was properly determined by the trial court, Alabama supreme court held in *North British vs. Sciandra's Delicatessen*.

North British made 73 assignments of error in protesting a roof collapse case, the principal ones being that the collapse was due to an accumulation of water on the roof and not to windstorm or lightning, and that Sciandra's recovery was limited to his legal undivided one-half interest in the building.

The question of whether lightning or wind caused the roof to fall in was properly one for the jury to decide, the supreme court said. The roof collapsed during a heavy storm that included wind, rain and electrical disturbances. The wind about the time of collapse was 31 m.p.h. and cases were cited by North British to show that winds of 28 m.p.h. were regarded by the Buffalo city court as "far short of qualifying under any or all of the above definitions of a 'windstorm.'" The Alabama court came up with a Missouri decision in which a 23 mile an hour wind was sufficient to require a jury determination as to whether it could be called a windstorm.

On the insurable interest question North British took the position that Sciandra had title only to an undivided half interest in the building and his insurable interest was limited to the extent of his title. Sciandra's wife owned the other half interest, and the condition of the title was unknown to North British at the time the policy was issued. The court answered that the building was used by Sciandra as a store and delicatessen, as a means of providing a livelihood for himself and family, and this with the knowledge and consent of his wife who assisted in operating the store. Sciandra's obligation to his family was dependent upon the continued existence of a building, and the preservation of the interest owned by his wife was essential to Sciandra's welfare. "Unquestionably, Sciandra had a pecuniary and beneficial interest and would suffer a disadvantage from damage to the building," the court commented. The case is reported 7 CCH, Fire & Casualty, 671.

## W. C. White in New Post

William C. White, Jr., formerly administrative assistant in the financial division of the Chicago Blue Cross, has joined Carl A. Tiffany & Co., consulting actuaries of Chicago. Mr. White started with Blue Cross as comptroller of the former Decatur plan and became executive director of that plan at the

time of its merger with the Chicago plan. He is a member of National Assn. of Cost Accountants and American Statistical Assn.

## Plans for Michigan Agents' Mid-Year Meeting Outlined

LANSING, MICH. — Plans are rapidly taking shape for the mid-year meeting of Michigan Assn. of Insurance Agents at the Hotel Sheraton-Cadillac (formerly Book-Cadillac), Detroit, Feb. 20-22. The program is planned to include discussion sessions on as many as possible of the most pressing problems of the day.

A presentation on "Multiple Line Underwriting and Package Policies" is to be made by four speakers to be selected from the Michigan C.P.C.U. chapter.

Joseph F. Leopold of National Tax Equality Assn., Dallas, will speak. Commissioner Navarre will describe the broad reorganization undertaken in the Michigan department, speaking on "The New Department of Insurance," and Charles R. Sligh, Holland, Mich., furniture manufacturer, who is a regional vice-president of National Assn. of Manufacturers, will talk on "Christianity in Business."

Other major subjects slated for special consideration include: "Agency Management — Work Simplification," "Compulsory Insurance," "Installment Payment Plans," "The License Situation," and "When Is an Agent Acting as a Lawyer?" Waldo O. Hildebrand, Lansing, association secretary-manager, will lead the discussion on the last-named subject.

A special dinner meeting is being planned the evening of Feb. 20 for the presidents of local boards and state association committee chairmen. They will be guests of President Merrill G. Craft, and the executive committee.

## Set Hearing on Fire, E. C. Rate Cut in North Carolina

RALEIGH—Commissioner Cheek has set a public hearing for Feb. 5 on proposals by North Carolina Fire Insurance Rating Bureau to reduce fire and extended coverage rates by an estimated \$852,018 annually.

The bulk of the fire reduction would be on residential property in protected areas. A 10% decrease is proposed for both frame and brick construction, with farm property excluded. The proposals also call for a 10% cut in rates for fire-resistant AAA dwellings; 25% on all other classes of AAA fire-resistant construction except hotels, boarding houses, clubs, YMCAs, garages and theaters, an increase in the credit on public garages from 25% to 40%; removal of a 25% increase on theaters of AAA construction, and reductions varying from 11.1 to 20% on miscellaneous manufacturing specials.

For extended coverage, the proposal is to reduce rates on farm dwellings so as to bring them into line with rates on other dwellings. This would drop the inland E. C. rate from 14 cents to 8 cents, and the seacoast rate from 23 cents to 14 cents.

## Rap Failure to Enforce Law

Insurers of Chattanooga have entered a strong protest with State Safety Commissioner Neal of Tennessee for failure to enforce the auto responsibility act, charging that autoists whose license have been revoked are permitted to continue driving their cars. Mr. Neal pleaded lack of highway patrolmen to make the law completely effective.

## Slate Herndon at Philadelphia

Maurice G. Herndon, Washington representative of National Assn. of Insurance Agents, will be the speaker at the annual banquet of Insurance Society of Philadelphia at the Broadwood hotel, Feb. 11.

General chairman of the banquet committee is George N. Watt, manager of Home Indemnity at Philadelphia.



## Hunter Brown Signally Honored in Home City

Hunter Brown of the Fisher-Brown local agency of Pensacola, Fla., and past-president of both National Assn. of Insurance Agents and Florida Assn. of Insurance Agents, was presented at a banquet with the annual award of Pensacola Kiwanis Club for "outstanding, unselfish civic achievement." The citation mentions that he is a past president of Chamber of Commerce, Rotary Club, Pensacola Country Club and is a former chairman of Citizens Welfare Committee. He has been a director of Childrens Home Society and has devoted much attention to managing this institution. He is a director of Esmabia general hospital, and was on the committee to raise funds for Baptist hospital.



Hunter Brown

This award was commended editorially by the Pensacola newspaper which remarked that since recovering from a serious illness last year, Mr. Brown has continued to give freely of his time and effort as a member of various civic enterprises. This newspaper said that his services throughout the years have been especially helpful in maintaining cordial relations between the city and the navy. The award is made through a secret committee, one member of which is appointed by the mayor, one by the president of chamber of commerce and one by the president of Kiwanis Club.

## Aetna Fire Names Three Loss Department Supervisors

Aetna Fire has appointed three new supervisors in the loss department. Edwin C. Knapp becomes supervisor of fire losses. Lewis C. Shamback supervisor of inland marine losses and Richard H. Hartley supervisor of automobile physical damage losses.

Mr. Knapp joined the reinsurance department of Aetna in 1941 after six years in the merchandising business. After coast guard service he was sent to New York City in 1946 as a special agent. In 1948 he returned to the home office as fire claim examiner. He is a graduate of Dartmouth and Harvard school of business administration.

Mr. Shamback has spent his entire business career with the Aetna. He joined the company in 1937 as a clerk in the loss department. He was promoted to automobile claim examiner in 1939 and in 1944 became inland marine claim examiner.

Mr. Hartley joined Aetna in 1937 as an automobile claim examiner. Previously he had been for five years an adjuster and claim examiner for a Rhode Island company.

## Cubbyholes for Salaries

Under an interpretation of the uniform accounting instructions effective as of Jan. 1, it is provided that if the salary of a non-supervisory employee predominantly pertains to the activities of one expense group, the whole of such salary may be allocated to that expense group. For instance, the salary of an employee who is primarily concerned with the collection of premiums may be allocated wholly to acquisition, field supervision and collection expenses, even though a lesser part of his activities may pertain to general expenses.

The former interpretation dealing with salaries of executives and supervisory officials is rescinded and there is submitted an interpretation that the salaries of executive heads such as the president, chairman and their secretaries ordinarily should be distributed to expense groups and lines of business as an overhead or salaries of supervised personnel,

after an apportionment to investment expenses. If any other methods are used, the allocation must be supported by detailed analyses of activities.

Salaries of other executive officers, department heads and supervisors ordinarily should be allocated on the basis of a study of time spent on the affairs of each of the departments or units supervised, and then these salaries should be allocated to expense groups and lines of business as overhead on the salaries of the employees in the respective departments or units.

## Files Additional Tax Lien Against Markel Service

RICHMOND, Va.—Internal revenue bureau has filed 10-day perfection liens in federal court here against Samuel Markel and Markel Service.

The government claims that Markel and the firm of which he is chairman owe \$3,090,028 in back income taxes for the years 1944 through 1949.

On Dec. 29 Collector of Internal Revenue Crenshaw filed jeopardy liens

against Markel and the firm in the same amounts. A jeopardy lien permits the collector to seize assets in a tax dispute without prior notice to the taxpayer, Crenshaw explained.

## Hike Eau Claire School Cover

The Eau Claire, Wis. board of education has voted to increase coverage on public schools to cover current estimated replacement costs, providing an additional \$490,000 on five grade and high schools.

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These excerpts from a few of the many unsolicited letters we receive each month prove that people like the service rendered by THE AMERICA FORE INSURANCE GROUP.

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\$750 Loss under Jewell's Flotation Policy—"It proves conclusively the need for carrying insurance on all such valuables. Plus this—contrary to prior opinions, I am pleasantly delighted with your punctiliousness in payment of a claim." C. D.

**THANK YOU FOR THE PROMPT SETTLEMENT!**  
I wish to thank you for the prompt settlement of the claim against one of your policyholders. It seems that you do not do business that way today. Getting a claim settled so quickly is no trouble whatever. All that it took was a claim adjuster and that was it!" P.

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## Bad Aspects Developing in Florida Citrus Underwriting

A revolutionary development in Florida's booming citrus industry, which, including stock, has physical values of about \$100 million, is making that market less attractive to fire insurers, according to a booklet released by General Adjustment Bureau.

Prepared by Paul M. Douglass, executive assistant of G.A.B.'s southeastern department, in collaboration with A. H. Smith, Jr., manager at Orlando, the booklet states the citrus industry brings about \$200 million annually to grove owners and probably accounts for something like \$500 million or \$750 million in the national economy.

Frozen concentrates, G.A.B. observes, are putting the "squeeze" on other segments. Certain portions of the industry suddenly find themselves in a growing prosperity, while others are in the grip of slow strangulation. Juice canners are "suffering from a greatly reduced demand for the product, and as a consequence, many canning plants are

closed and others are tending toward heavy operating losses and obsolescence in plant equipment." With respect to fresh fruit handlers, the booklet points out that frozen concentrates has affected them to such an extent that "many packing houses will tend to lose much of their utility value."

### Centralization Biggest Hazard

Underwriters, the bulletin avers, will be dealing with sick members of the citrus fruit industry for some time to come. Because of extreme centralization of operation, fire hazards are considered the industry's greatest failure.

The values of concentrating plants range from \$1 million to \$5 million or more, and in most cases the structures comprising an entire plant are subject to one fire. The processing operation is not generally hazardous within itself since there is no high-speed machinery and the processing materials are not inflammable. In plants where driers are

used in feed mill operation there is, however, a special hazard from the heating process. In addition, there are the usual hazards from power and light wiring, boiler firing and the use of steam.

Construction was along the lines of convenience and rapid movement of products with congestion of manufacturing building, warehouses, cold storage houses, feed mills and boilers are more the rule than the exception.

### Inadequate Sprinkling

Many plants are not sprinklered, and some only partially so. In most cases where sprinklers are installed they are at heights that would permit heat banks in the roof to discharge too many heads at one time and thus result in a sudden overpowering of the water supply. Method of storing case goods often is hazardous. It is estimated that salvage on one loss could have been three times greater had the cases been stored differently. Cases were stacked on fork lifter pallets in uniform arrangement. After the loaded pallets were put in storage order, the pallet channels, made for the times of the fork lifter, abutted in such a manner as to form a continuous flue from the aisles to the walls of the warehouse. Since this condition prevailed generally throughout the warehouse, there was serious damage in unexpected areas of the storage. Some form of alternate arrangement of rows would have prevented formation of such a flue.

Similar hazards exist in single strength canning plants. Generally, the average canning plant building and equipment values approach \$100,000, although the stock in a plant that size may be worth \$500,000. Again, most of the plants, including warehouses for stock, are subject to one fire. While the pack of single-strength juice provides ample activity in the operating plants, according to citrus men not one processor made a profit during the 1950-51 season. Hence it is not a matter of the volume of single-strength juice produced that measures the underwriting value of canning plants. Rather, the value depends on whether or not their activity can be integrated into the whole operation on a profitable basis.

The financially shaky canner is facing the future with indifference and wishing for "lightning" to strike. It has struck a number of times since the frozen concentrate came on the scene. Risks with developing moral hazards will have to be detected on an individual basis.

### Fresh Fruit Picture

The values of fresh fruit packing houses extend over a wide range, perhaps varying from \$50,000 to \$1 million. Where washing, drying, and coloring are performed, there is a heat hazard along with the common hazards from light and power wiring. There has been no spectacular rise in fire losses involving packing houses since the introduction of frozen concentrate.

Present packing house facilities exceed demand, both in number of houses and capacity of individual facilities. Before the advent of frozen concentrate, the fresh fruit market was absorbing an average of about 50% of Florida citrus, but in 1950-51 the percentage had dropped to about 33. If handling 50% of Florida citrus represented the full utility of packing houses, then a drop to handling only one-third of the

crop indicates a 33% loss of utility in such facilities on the whole. The problem, however, can't be reduced to a mathematical equation which would produce a correct value answer on a percentage of utility basis. It is certain, though, that a packing house that has lost one-third of its volume and previously was worth \$150,000 could be replaced for considerably less money by one that would serve the required purposes.

Packing houses also must be evaluated on their individual merits because fruit from certain areas having a better quality commands a higher price than most other citrus and is largely marketed in fresh fruit packages. Reputation for special quality fruit applies to certain sections of the state.

The feed mill risk in the citrus industry has a heat hazard not generally present in feed mill grinding. Temperatures of from 200 to 250° F are employed. The fire hazard common to all feed mill operations is inherent in the grinding process. It is expected that pulp milling will become increasingly prominent because of the trend toward centralization of citrus processing into relatively few hands. Where the feed mill is operated in direct line with the other processing units of the citrus plant and is not appropriately detached, it presents the most active fire hazard of the citrus risk.

Where there is an underwriting value in concentrating plants it is generally unattractive because of lack of separation from other processing operations and because of the added value to the plant as a whole. Reduced utility in packing houses and canning plants at many points presents an unfavorable factor as to these risks. It may be necessary for them, however, to expand facilities in future years to handle and process increasing production as the thousands of new trees that have been planted come into bearing. It is expected the Florida citrus risk will remain in a state of flux until there is a balanced correlation between the marketing of fresh fruit, conventional canning and concentrating.

### Renew War Damage Talks

WASHINGTON—A conference is to be held Friday by a Senate subcommittee with life insurance people on war damage insurance legislation Frear of Delaware, the chairman, disclosed.

The Frear committee staff has had contact with representatives of fire interests, but the latter are said to have made no formal presentation to the committee concerning the attitude of this segment of the business towards war damage legislation. There was a discussion with the casualty interests last fall.

The war damage problem ties in with the civil defense program upon which the administration is laying stress at this time. That is, the budget bill with its provision dealing with loss of income, would take up where civil defense left off, in event of enemy attack it is believed.

Senator Frear is anxious to get action on war damage, so far as he and his subcommittee are concerned.

### Charter Power Decision

The Ohio attorney general has given a ruling that the state law and the charter of Central Manufacturers Mutual of Van Wert are broad enough to allow that company to write burglary and plate glass insurance, but not the other casualty lines.

### May Double Commingling Fine

The New York department is considering doubling the fine for commingling of funds on the part of agents or brokers. At present, \$50 is assessed against anyone guilty of keeping personal and company money in the same bank account, but there has been an increase in violation of the regulation. The department has figured that as many as 8% of the 85,000 licensed agents and brokers in the state are guilty of commingling funds.

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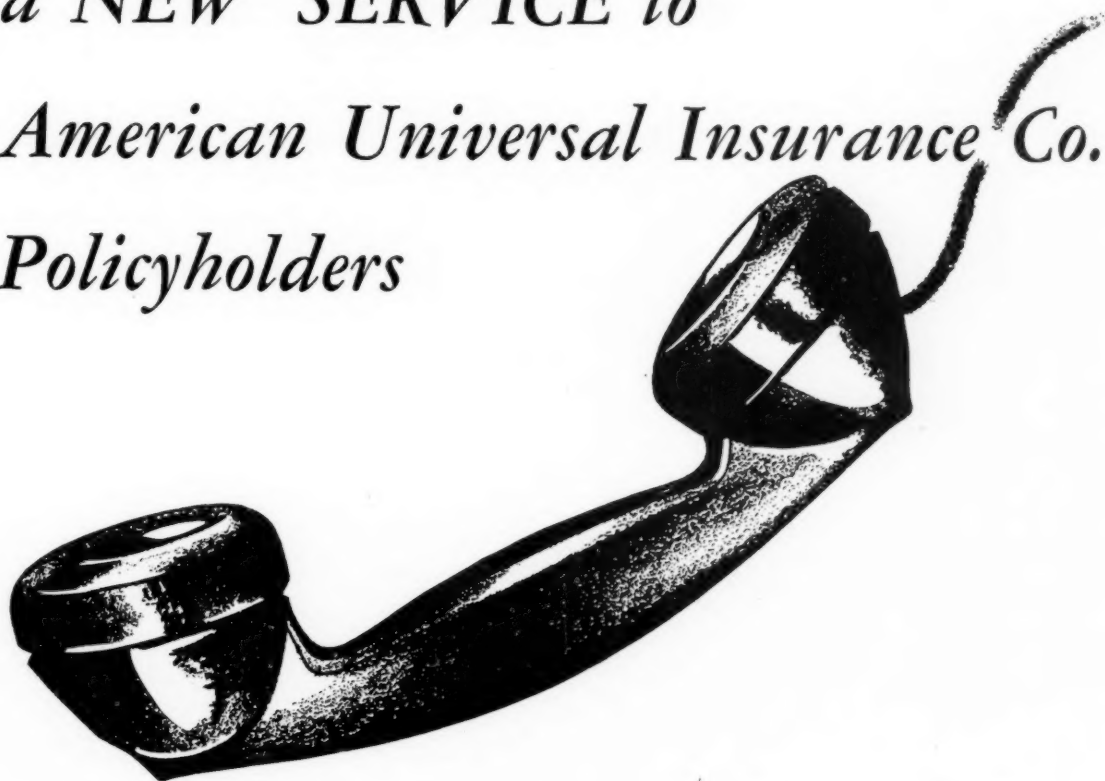
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### Special Risk Underwriters

*Underwriting all lines of insurance  
(except life) for industry, business,  
financial institutions and the home.*



## \$65,000 Insurance Nullified When Court Finds Fraud in Claim for Loss

Federal district court at Kansas City held that 17 fire policies in 13 companies for a total of \$65,000 were void by reason of the insured's fraud in claim of loss.

Lowman Wine & Bottling Co. bought the policies on Jan. 9 and March 4, 1950, and on March 27 of that year there was a fire and explosion. The companies claimed that the fire and explosion was instituted, instigated and set by the Lowman Co. and that the claims for loss were for property not in the building at the time of the fire and was made for the purpose of cheating and defrauding the companies.

The policies were obtained by Paul Rosenberg and Ted Charno, brokers.

The court found that the explosion and fire were caused by the intentional separation of a gas pipe from a heater in the office of the Lowman Co., allowing gas to escape, with a resultant explosion and fire.

The fire occurred on a Monday morning and that afternoon the adjusters contacted Lowman to learn the amount

of loss. On the following day the adjuster received a statement through the mail which purported to cover the loss, including the merchandise in the building. Lowman listed stock approximating \$20,000, which comprised 400 cases of whiskey, 1,000 cases of beer and \$4,000 worth of new bottles, plus other property supposed to have been in the building. It was contended that the books and papers of the company were destroyed in the fire and that the list of stock and equipment was made up from one which had been prepared some time prior to the fire.

Numerous firemen testified that they saw no beer at all any place in the building, nor did they see any liquor or any considerable amount of glass which would have resulted from the destruction of 400 cases of liquor, or no evidence of destruction by fire or explosion of \$4,000 worth of bottles.

Three weeks prior to the fire it was shown that nearly all of the stock claimed to have been destroyed was in the warehouse, and the court concluded it had been taken out, apparently surreptitiously, prior to the fire.

Two of the policies were issued with the standard mortgage clause whereas the other 15 contain the loss payable

clauses in favor of many of the creditors of Lowman. The companies issuing the standard mortgage clause contended that it was done by error, and it was not until the case was on trial and the policies introduced in evidence that counsel for the bank holding the two standard mortgage clause policies amended its answer to conform to that fact. The companies said that as soon as the error in issuing the standard mortgage clause was discovered, the loss payable clauses were made out and delivered to Lowman's brokers, but they were never delivered to Lowman. The court said that under the circumstances it would seem that the standard mortgage clauses "did not ripen into a contract between the insurers and the mortgagee, and because thereof, they should not be bound."

Henry Depping of the Kansas City law firm of Hogsett, Trippe, Depping, Houts & James, represented the companies in the case, and Western Adjustment were the adjusters.

## New Company at Denver

John M. O'Connor, grandson of the late J. K. Mullen, is president of the newly organized American Standard of Denver, which has been licensed by the Colorado department with capital of \$100,000 and paid-in surplus of the same amount.

Directors are E. M. Brooks, Fred W. Elliott, J. G. Holland, A. C. Damon, Harold B. Wright, Carl E. Herfurth, T. L. Lewis, Walter F. Williams.

## High Court to Eye Case

WASHINGTON—The U. S. Supreme Court has granted certiorari writ in No. 450, United States vs. Atlantic Mutual.

## McDonough Lincoln Speaker

Alexander McDonough, manager of Travelers at Omaha, addressed Lincoln Assn. of Insurance Agents on auto insurance losses, which he said "have virtually gone crazy," and liability of parents for acts of their children.

## Moves Tucson Location

Lyle Adjustment Co. is taking new offices at Tucson, Ariz., located on the ground floor at 415 East Sixth street. Open house is being held Saturday afternoon of this week.

## Gets Ohio State at K. C.

Ohio State Life has appointed the Ridge-Spellman agency, Kansas City as general agent in that area. Thomas P. Cox, Jr., has joined the agency and will have direct charge of its life, A. & H. and group business.

## Stabilization Talk at Atlanta

Edwin Pearce will discuss the wage and salary stabilization program as it applies to insurance agents at a luncheon meeting of Atlanta Assn. of Insurance Agents Jan. 24.

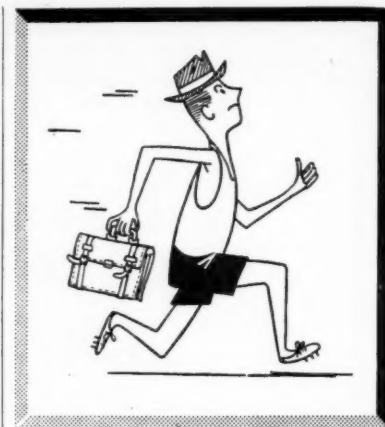
Mr. Pearce, member of the Atlanta law firm of Poole, Pearce & Hall, was chief regional price executive of the old OPA.

## Joseph Glennon Featured

Joseph Glennon, chief deputy of the Illinois department, is addressing the dinner meeting Jan. 28 of the Insurance Adjusters Assn. of Illinois, at Springfield. Other executives of the department will be present.

Ralph L. McCord has sold his interest in the McCord-Foreman agency of Springfield, Ill. He has purchased an apartment hotel at Hollywood Beach, Fla., and will make his home there. The agency will continue to operate as McCord-Foreman.

A. W. Koenig has been elected vice-president and assistant manager of the insurance department of Citizens Realty & Insurance Agency of Evansville, Ind.



...man in a hurry

Maybe our Special Agents, Claims Adjusters and Safety Engineers aren't quite as fleet of foot as track stars... but when you're in a hurry for service... good service... TU-SN representatives are the men in a hurry to deliver!

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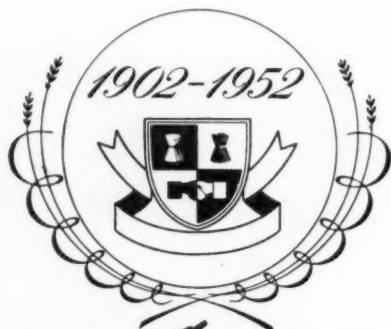
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GRAIN DEALERS MUTUAL marks its 50th Anniversary in 1952, and is participating, as a mutual company, in the nationwide observance of the 200th Anniversary of the successful establishment of mutual insurance in the United States. Few businesses have back of them so much of tradition; of obligations so faithfully met; of public service—as mutual insurance.

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## Cincinnati F.U.A. Urges Adopting New Loss Clause

CINCINNATI—Cincinnati Fire Underwriters Assn. at the annual meeting last week went on record as urging the adoption of the new loss clause by Ohio Inspection Bureau. Arthur M. O'Connell, president, described the dilemma in which the agent finds himself since the withdrawal of unearned premium rules. Speaking in terms of the insured with a sizable premium outlay who suffers a severe loss early in the policy term and does not find it feasible to repair or replace, it was pointed out that no protection is available pending adoption of the new clause.

Another interesting question which was brought up in connection with the fact that unearned premium coverage is not available related to the operation of the coinsurance clause. Since the provisions of any such clause are applicable to each feature of coverage, a possible hardship is created for the insured who has the unearned premium endorsement on some portion of his existing coverage, yet is unable to have it supplied on new contracts. The belief was expressed that no company would permit the insured to suffer from such non-concurrence, but no practical solution was offered short of the adoption without delay of the total non-reduction type of loss clause.

George Guckenberger, III, A. J. Lenke and H. Patrick Sweeney were elected to the board of governors, which group will elect officers this week.

## Promise Study of UMW Plan for Coal Export Insurance

WASHINGTON — Defense Mobilization Director Wilson reportedly has given assurance of careful study to the coal mine operators' and United Mine Workers' proposal of a program under which they would form a corporation to operate government-owned merchant ships to carry coal to foreign ports with the government to insure the bare boats.

The proposed corporation or shipping pool, it has been proposed, should set aside a reserve to take care of coal cargo losses. The UMW has pointed out in a statement that "this would eliminate the private insurance firms with their high rates."

It has been charged that Lloyds "high insurance rates," plus high ocean freight rates, have "acted as a deterrent to the export of American coal."

## DeWitt Insurers Merged

Iowa Mutual Casualty of DeWitt, Ia., has now been taken over by Iowa Mutual.

## Women Meet at St. Louis

Insurance Women of St. Louis will be hostesses for the annual conference of region V of National Assn. of Insurance Women at St. Louis March 14-16.

## Now Cover Individuals

Mutual Benefit H. & A. is the first company to offer surgical and medical coverages for individuals under the plan of the Academy of Medicine of Cleveland. The policy is like that already available for groups, and covers medical care during hospitalization, obstetrics, and surgery for families with annual incomes \$5,000 or less, provided their physicians are among those co-operating in the plan. For those families with higher incomes or whose doctors are not participants of the plan, coverages are according to an established scale.

Governor Driscoll of New Jersey has announced that he will ask the legislature to authorize state insurance for volunteers who may be injured or killed in civil defense work. He said that his action was taken because Congress had not provided the insurance.

## STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. LaSalle St., Chicago  
Jan. 15, 1952

Div.	Bid	Asked
Aetna Casualty .....	3.00	82 95
Aetna Fire .....	2.25*	54 1/4 55 1/2
Aetna Life .....	2.50*	86 88
American Alliance .....	1.50*	29 1/2 31
American Auto .....	2.00	40 1/2 42 1/2
American Equitable .....	1.50	25 1/2 27
American (N. J.) .....	1.00	22 1/2 23 1/2
American Surety .....	3.00	53 55
Boston .....	2.65*	64 1/2 66 1/2
Camden Fire .....	1.15*	20 21
Continental Casualty .....	2.50*	65 66 1/2
Fire Association .....	2.60	58 1/2 60
Fireman's Fund .....	1.60	54 1/2 56
Firemen's (N. J.) .....	.80	23 1/2 24 1/2
Glens Falls .....	2.40*	53 1/2 55
Globe & Republic .....	.80	12 1/2 13 1/2
Great American Fire .....	1.50*	33 1/2 35
Hanover Fire .....	1.60	33 34 1/2
Hartford Fire .....	3.00*	136 139
Home (N. Y.) .....	1.80	36 37
Ins. Co. of North Am. .....	2.50*	71 1/2 73
Maryland Casualty .....	1.00	21 1/2 22 1/2
Mass. Bonding .....	1.60	25 1/2 27
National Casualty .....	1.50*	27 29 1/2
National Fire .....	2.50*	60 62
National Union .....	1.60	40 41 1/2
New Amsterdam Cas. .....	1.50	34 36
New Hampshire .....	2.00	41 43
North River .....	1.20	29 1/2 31
Ohio Casualty .....	1.20	65 Bid
Phoenix, Conn. .....	3.00*	87 89
Prov. Wash. .....	1.50*	27 1/2 29
St. Paul F. & M. .....	.80	32 1/2 34
Security, Conn. .....	1.60	32 1/2 34
Springfield F. & M. .....	2.00	44 1/2 46
Standard Accident .....	1.60	34 35 1/2
Travelers .....	14.00*	611 616
U. S. F. & G. .....	2.00	52 54
U. S. Fire .....	1.40	41 1/2 43

\*Includes extras.

## Can't Collide With Soft Spot in Sand, Court Says

A moving van which becomes embedded in the sand while being driven along a beach cannot be said to have been involved in a collision, and damage to the contents of the van by water coming in on the rising tide is not a loss by flood or a peril of the sea. This was the decision of South Carolina supreme court in Long Motor Lines vs. Home F. & M.

Long Motor was hauling a load of furniture along the beach, which Long contended was customary for trucks and other motor vehicles to be driven, and the truck accidentally "collided with a depression in the beach." The insured contended that this "collision" did not fall within the exclusion of contact with any portion of the roadbed. However, the court commented that if the truck merely became stuck or bogged down on the beach, there would be a serious question as to whether there was a collision.

On the question of flood damage, the court found that the rising tide was in no way extraordinary, and could not have been considered a hazard as contemplated in the policy. The court also denied the argument of Long Motor that coverage for "perils of the seas, lakes, rivers or inland waters while on ferries" could be held to mean that the phrase "while on ferries" applied only to "rivers or inland waters."

The case is reported in 7 CCH (Fire Casualty) 676.

## Kahler, Abbott Misidentified

Incorrect identifications were contained in the picture on page 8 in the Jan. 10 edition from the convention of American Assn. of University Teachers of Insurance. There was a transposition so that C. M. Kahler was incorrectly identified as being Paul Abbott, and vice-versa. Mr. Kahler is at University of Pennsylvania and is the newly elected president of the association. Mr. Abbott is director of education of the North America companies and is a new member of the executive committee of the association.

L. C. Beery, immediate past president of San Antonio Insurance Exchange, has been appointed chairman of the fire prevention committee of San Antonio Chamber of Commerce.

The agencies of Gross Bros. and H. M. Barrett & Co. of Newark have been consolidated and will operate as the Gross-Barrett agency.



Many types of manufacturers making different kinds of equipment can face a situation similar to the one illustrated here. As an example, trouble is indicated when the sprinkler manufacturer asks—

"I manufacture automatic sprinkler heads and install my product on the premises of others. In undertaking one such installation, operations are suspended at the end of a working day to be resumed the next day. During the night a leak develops in a partially completed system and expensive material is damaged beyond use. Would I have coverage under my Manufacturers' Liability policy?"

This means TROUBLE... for YOU? Yes, if you don't know the answer to this and other general liability questions and if you haven't insured your manufacturer properly. Why risk that possibility when it's so easy to get your copy of the "General Liability True or False" from our Advertising Department.

100th ANNIVERSARY IN THE UNITED STATES—ROYAL INSURANCE COMPANY, LIMITED

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## Insurance Group

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## New Edition of "Practical Fire & Casualty Insurance"

The fifth edition of "Practical Fire & Casualty Insurance," by J. Edward Hedges, professor of insurance at Indiana University, is a complete revision of one of the most widely used insurance textbooks in America. Similar to previous editions in style and format, it covers the many changes in every line of the fire and casualty insurance business in the past several years.

Numerous changes have occurred in rates, rules, and forms, and in methods of writing the various coverages. Notable are the issuance of a separate earthquake manual by Allied Lines Assn. and the elimination of this form of coverage from the explosion manual; introduction of a new optional perils policy to cover explosion and related lines, and the introduction of the new additional extended coverage endorsement. Many changes have occurred in the form of extended coverage endorsement used in the various states, and in blanket bonds for financial institutions and forgery insurance.

Additional burglary, robbery and theft forms have been standardized, thus sim-

plifying the treatment of these forms. The New York standard fire policy has continued to spread, and only two states still employ the New England form. Changes of this kind are fully reflected in the new edition. Several new illustrative contracts have been added to the appendix to make it a more complete and self-contained text for classroom use, as well as adding to its value to the independent student. The "Questions for Study and Discussion" which appear at the close of each chapter have been revised and augmented to be of further help to the students as well as the instructors.

Several states have adopted "Practical Fire & Casualty Insurance" as required or recommended reading for those who are preparing for agents' qualification examinations. It is the textbook of insurance courses in leading universities, such as Johns Hopkins, University of Cincinnati, Indiana University and many others.

Through this book new or inexperienced agents, salesmen and solicitors secure a broad picture of the basic elements of the insurance business. New clerks, policy writers, stenographers, bookkeepers or any other employees of the agency get the business background

on which to build a sound understanding of insurance principles and practices.

The price of the new edition of "Practical Fire & Casualty Insurance" is \$4 a copy. The 350-page text is attractively bound in gray cover and can be ordered from the National Underwriter Co., 420 East Fourth street, Cincinnati 2, O.

### Appleton Group in New Building

Integrity Mutual and Integrity Mutual Casualty of Appleton, Wis., have moved into their new home office building. This is a two-story structure in which Integrity Mutual occupies the top floor and a part of the basement. They have rented the ground floor and the rest of the basement space to a local retailer.

Curt E. Janson, assistant chief of the Chicago Fire Insurance Patrol, is speaking on the patrol's history and its salvage operations at a meeting Thursday of Assn. of Fire Insurance Examiners of Chicago.

R. E. Youngquist, for five years an adjuster for Western Adjustment, has gone with Leo S. Walsh, Chicago independent adjuster.

## Convention Dates

Feb. 20-22, Michigan Assn. of Insurance Agents, mid-year, Sheraton-Cadillac hotel, Detroit.

March, 5-6, Fire Underwriters Assn. of the Pacific, annual, Palace Hotel, San Francisco.

March 11, Pittsburgh Insurance Day, William Penn hotel, Pittsburgh.

March 13-15, Southern Territorial Conference of N.A.I.A., Homestead, Hot Springs, Va.

March 17-18, National Assn. of Surety Bond Producers, annual, Blackstone Hotel, Chicago.

March 20-22, N.A.I.C. zone 5, Baker hotel, Dallas.

March 24-25, Midwest Territorial Conference of N.A.I.A., Schroeder Hotel, Milwaukee.

March 31, Buffalo Insurance Day, Hotel Statler.

March 31-April 3, N.A.I.C. blanks committee, Hotel Commodore, New York.

March 31-April 1, N.A.I.C. zone 2, Hotel Roanoke, Roanoke, Va.

March 31-April 2, Far West Agents Conference of N.A.I.A., San Francisco.

April 6-8, Eastern Territorial Conference of N.A.I.A., Haddon Hall, Atlantic City.

April 23-24, Minnesota Agents, mid-year, Hotel Nicolet, Minneapolis.

April 24-25, N.A.I.C. zone 3, Long Beach resort, Panama City, Fla.

April 28-30, Rocky Mountain Territorial Conference of N.A.I.A., and mid-year meeting of N.A.I.A. National Board of State Directors, Cosmopolitan Hotel, Denver.

May 7-9, Iowa agents, annual, Hotel Des Moines, Des Moines.

May 7-9, Louisiana agents, annual, Edgewater Gulf Hotel, Edgewater Park, Miss., and Hotel Markham, Gulfport, Miss.

May 12-15, National Assn. of Mutual Insurance Agents, mid-year, Broadmoor hotel, Colorado Springs.

May 15-17, Texas agents, annual, Adolphus Hotel, Dallas.

May 19-21, American Assn. of Managing General Agents, annual, Greenbrier, White Sulphur Springs, W. Va.

May 21, Connecticut agents, mid-year, Wee Burn Country Club, Darien.

May 26-28, Health & Accident Underwriters Conference, annual, Cosmopolitan Hotel, Denver.

June 16-19, International Assn. of A. & H. Underwriters, annual, Asbury Park, N. J.

June 17-19, Tennessee Fire Underwriters Assn., Lookout Mountain hotel, Lookout Mountain.

June 19-20, Virginia Agents, annual, Hotel Roanoke, Roanoke.

June 22-25, N.A.I.C. annual convention, Conrad Hilton hotel, Chicago.

July 3-5, National Assn. of Independent Insurance Adjusters, Greenbrier hotel, White Sulphur Springs, W. Va.

June 22-24, New England agents, annual, Bretton Woods, N. H.

Aug. 17-19, Washington agents, annual, Chinook Hotel, Yakima.

*Question:*

**WHEN SHOULD CARBON DIOXIDE BE USED ON A CLASS "A" FIRE?**

*Answer:*

Class A fires usually call for the quenching and cooling action of water. But water damages documents, furs and other valuable materials. In such cases the fire-smothering action of carbon dioxide is called for.

In record vaults, libraries, fur vaults—wherever materials are subject to water damage—Kidde CO<sub>2</sub> Portables, or a built-in Kidde CO<sub>2</sub> Fire Extinguishing System should be recommended.

Kidde Portables offer a wide range of sizes from 2½ pounds up to wheeled types of 100 lbs. They are equipped with the Kidde nozzle designed to blanket the fire with CO<sub>2</sub>, smothering the flame without spreading it.

Kidde Systems can be fully automatic or manually operated. They can be designed to cover one or more danger spots at the same time. For further information, write:

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143 Main Street, Belleville 9, N. J.

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We have CASH buyers for the stock control of any type of insurance company; but right now our greatest demand is for stock life companies of any size, large or small, located in the West, Midwest and Southwest.

Those who plan to sell now or later should communicate with us so we may arrange a meeting with you for a confidential discussion of the matter. Such communication or meeting shall not obligate you in any way.

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## NEWS

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## Crowell to Chicago; Donohoe Wis. Manager

Maurice Crowell has been named assistant manager of the Employers group, western department at Chicago. Robert E. Donohoe takes over Mr. Crowell's position as resident manager of the Wisconsin department.

Mr. Crowell has been Wisconsin resident manager since 1939. Before then he was manager at Minneapolis. He has been with the group since 1927.

Mr. Donohoe went with the group in 1942. He has had experience as a special agent and as agency supervisor in the Chicago territory.

## Pa. Revokes Approval

Approval of the N. A. U. A. loss payable clause has been withdrawn by Commissioner Leslie of Pennsylvania. Previous approvals, he said, were given in error. The clause is not, he charges, in conformity with Pennsylvania regulations of Nov. 20, 1945, providing that policies must name the owner and lessor as well as the purchaser and lessee as insured; that the purchaser or lessee must be furnished a policy or certificate insuring him for exactly the same coverages as are granted the owner and lessor; the policy or certificate must specify the itemized and the total premiums for the coverages insured; the coverages granted at the rates named in the policy or certificate must be identical with those made available by the insurer in a rate schedule on file with the department.

Also, the equity of the purchaser of a motor vehicle in any unearned or return premium, or dividend, or any loss payable on such policies or certificates must be protected by the insurer. Payments made and checks drawn by the insurer shall be made and drawn to both owner and lessor and purchaser and lessee unless the interest of one or the other has been terminated to the satisfaction of the interest eliminated or following necessary legal procedure.

## Reall Joins N.C.C.I.

George F. Reall has joined National Council on Compensation Insurance as assistant secretary. He has been with Utah state workmen's compensation fund as assistant manager. He is a graduate of Harvard law school and Tufts college, during the war he was an air force instructor.

## Some Companies Exempt

WASHINGTON — "Benevolent life insurance companies or mutual companies and associations (other than life or marine) which are exempt from tax under sections 101 (10) or (11) of the internal revenue code" are exempt from reporting "patronage dividends, rebates or refunds," imposed by the 1951 revenue act, according to the bureau of internal revenue.

HENRY A. CONVERSE, 76, chairman of the investment committee and a vice-president and senior director of Inter-Ocean of Cincinnati, died at his home at Springfield, Ill., after a long illness. Mr. Converse had been associated with the company since 1914, serving as secretary 1914-15.

## NEWS BRIEFS

The annual meeting of the New York State Savings Banks Insurance Forum has been scheduled for Feb. 15 at New York City. There will be a business session in the afternoon followed by a reception and dinner.

St. Louis Blue Goose will have its annual dinner dance Feb. 16, preceded by a cocktail hour.

Anthriscite Field Club will hold its annual meeting Jan. 29 at Wilkes-Barre.

Walter F. Riggs has now assumed his position of state agent for Crum & Forster in Indiana with headquarters

in the Chamber of Commerce building, Indianapolis. He was transferred there from Missouri.

Frank S. Cosby, former field man, has become a partner in the Boswell & Curtis agency at Richmond. He had been an associate of the agency for five years.

Arthur C. Hand agency, Endicott, N. Y., has taken over the agency of the late Clarence C. Brown.

The R. H. Morris agency at Belpre, O., has been sold to W. D. Miller.

The Western Underwriters Assn. film, "Introducing the Policymen," was shown at the January meeting of Insurance

Women's Club of Detroit by L. J. Jennings, Phoenix of London. Frank E. Greene, National Fire, was in charge of the question and answer period.

Chris Williams, who is with the salvage corps of the Cincinnati fire department, spoke on "Relationship Between the Fire Department and Salvage Corps," at the January meeting of the Cincinnati Insurance Women.

Clay Conner of the Indianapolis office of Aetna Casualty, talked on "Thirty-six Months in a Communist Gorilla Band" at the January meeting of Indianapolis Assn. of Insurance Women.

Insurance Women of Los Angeles had 150 members and bosses in attendance at the "bosses night" party. A satirical skit was presented by the bosses with

V. W. McKinney, America Fore; James Broke, Sequola; Ted Estes, Jim Bradley and John Lyman, Dwyer-Curlett & Co., in the cast. Resident Secretary Frank J. Hagen, Loyalty group, presided and was presented a loving cup by the club.

Paul F. Schenck of Dayton, O., has taken Richard Schenck into partnership. William Travelbee of Columbus and Mrs. Edna M. Jacobs of Coshocton, have become partners in Jacobs Insurance Service, Coshocton, O.

Leon T. Meuche has taken his son, L. Theodore Meuche, in as a partner in the Meuche & Hickman agency at Dayton, O. Charles H. Meuche also is a partner.

Sam A. Holler has become a partner in the Baker-Schnaidt agency at Newark, O.



Clearing the desk for action is always easier when you have the help of a wide-awake field man—and a wide-awake company. The smoothly geared Ag-Empire routine was set up with that in mind. Result . . . our agents find correspondence cut to a trickle; decisions come quickly; claims get processed fast. Ag-Empire field men *get around to get things done*. And the home office is always in high gear. If you'd like to start and go the Ag-Empire way this year, remember . . .

We're easy to write to

**Agricultural**  
Insurance Company,  
of Watertown, N.Y.

Friendly  
Folks

**Empire State**  
Insurance Company,  
of Watertown, N.Y.

## NEWS OF FIELD MEN

### Fireman's Fund Begins 1952 Series of Field Meetings

Field men in the Oregon and Rocky Mountain territories of Fireman's Fund gathered at the home office last week for a conference, the first in the company's

annual series of field meetings. Cyril Wright, director of sales for Foster & Kleiser at San Francisco, spoke at the luncheon, and other talks were given by A. L. Pither, west coast manager of American Foreign Insurance Assn., and Jack Wilson, manager of Factory Association.

The conference was under the direction of Leland S. Gregory and Hugo H. Methmann, vice-presidents, and Woodward Melone, marine secretary.

### Smith Holland to Tenn. for Am. Fore

Smith T. Holland is being transferred from Kentucky to Tennessee as state agent for America Fore. He takes the place of J. K. Recktenwall, who goes to the western department at Chicago in a supervisory capacity in the underwriting department. Mr. Recktenwall has been with the organization about 18 years and at one time was in the Chicago western department. Mr. Holland has been an America Fore man 16 years and earlier was in the local agency business in Tennessee and Louisiana. He is president of Kentucky Fire Underwriters Assn.

### New S.F. Ritual Team

San Francisco Blue Goose has organized a ceremonial committee, whose members are to be "trained" to deliver the ritual without hesitancy, error and with proper emphasis and impressions. Howard A. Reynolds, resident secretary of Home, a past M.L.G.G., is chairman. First appearance of this new "team" will be at the splash in March. It will appear again in June at the installation of new officers. It will also appear before the Sacramento puddle and will be featured at the grand nest meeting in 1954.

### Alabama Field Activities

Alabama Fieldmen's Assn. held its monthly meeting last week at Montgomery. It also sponsored a forum on builders risk insurance.

In conjunction with this meeting, Alabama Blue Goose entertained Charles L. Beale, most loyal grand gander, and Mrs. Beale. A cocktail party and banquet were held in their honor.

### Sumner Inland Empire Head

Jack H. Sumner, Cravens, Dargan & Co., was elected president of Inland Empire Fire Underwriters Assn., at the annual meeting at Spokane. He succeeds R. W. Buechel, Home. William J. Riley, St. Paul F. & M. was elected vice-president; Ray C. Largent, Frazier & Co., treasurer.

### New Washington Officers

More than 70 attended the annual meeting and banquet of Washington Fire Underwriters Assn. at Seattle. New officers were installed: Mark T. Perry, Boston, president, succeeding M. C. Johnson, Phoenix-Connecticut; Van C. Griffin, Glens Falls, vice-president, and C. B. Nelson, National Union, secretary.

A talk on sabotage was presented through the courtesy of the coast guard. Paul Schumacher of Marshall & Stevens, valuation engineers, announced plans for conducting a course in valuations if a sufficiently large enrollment can be secured.

H. O. Price, Gould & Gould, was master of ceremonies. Charles S. Coffeen, who will leave soon to take over executive duties at the home office of New Hampshire, was presented a gift.

### Hart, McPherson in Kan.

George P. Hart, Jr., and Jack D. McPherson have been named special agents in Kansas with headquarters at Topeka for Loyalty group. They are associated with State Agents J. Y. Dickerson and V. E. Herbert.

### Kansas Blue Goose Splash

Kansas Blue Goose held its first splash of the year Wednesday at Topeka. Several goslings were initiated and a cocktail hour preceded the stag buffet. Harlan Martin, St. Paul state agent, Topeka, was in charge of the entertain-

ment. Carl E. Smith, former most loyal gander, who retired Jan. 1 as state agent of Royal Exchange, was honored at the dinner.

### Name Reilly in Wash.

New York Underwriters has named H. L. Reilly as special agent in western Washington to succeed C. J. Ryan, who has resigned.

Mr. Reilly has been with New York Underwriters for 13 years, starting in Montana and having been more recently in northern California. His new headquarters will be in the Dexter-Horton building, Seattle.

### McCarthy Gets 2-State Field

Robert McCarthy has been appointed special agent in Colorado and Wyoming for Fire Association, with headquarters at Denver.

Mr. McCarthy for several years was in the local agency business in Montana and for one year was with Pacific Fire Rating Bureau at San Francisco.

### Tenn. Puddle Hears Agent

The Knoxville, Tenn., puddle of the Blue Goose held its monthly luncheon meeting Jan. 14. John Bailey, local agent who was voted insurer of the year for 1951 by Tennessee Assn. of Insurance Agents, spoke on "Agency-Fieldman Relationship."

### Young to Bradshaw & Weil

J. William Young, special agent for three years in western Kentucky for North America, has resigned to go with the Bradshaw & Weil agency at Paducah, headed by Jesse Weil. Before going with North America Mr. Young was assistant superintendent of the audit department of Kentucky Inspection Bureau for three years.

### Defense Talk at St. Louis

Dr. Paul G. Steinbicker, head of the department of government of St. Louis University spoke on "Don't Sell Civil Defense Short" at a luncheon meeting of St. Louis Blue Goose Monday.

Announcement was made of a grand nest officers meeting at Kansas City Jan. 28.

### Revamps Ky-Tenn. Field

Glens Falls group has appointed Willard M. Brown, Jr., manager and Clarence M. Hathorn assistant manager of the Kentucky-Tennessee field with headquarters at Louisville. Mr. Brown has been Kentucky-Tennessee manager for Glens Falls Indemnity and Mr. Hathorn has been special agent for Glens Falls and Commerce.

### To Inspect Marysville, Kan.

Kansas Fire Prevention Assn. will hold its first inspection of the year at Marysville Jan. 24. A refresher course for inspector members was held at Topeka this week under the direction of Emmett Cox, Western Actuarial Bureau, Chicago.

### Camplin in Cal. Field

Gene Camplin has been appointed special agent of Fireman's Fund to succeed Fred Stuart in the north coast, San Fernando valley, Burbank, Glendale and Pasadena areas in California. He joined Fireman's Fund at Los Angeles as a fire underwriter in 1949 and advanced to supervisor of the survey department. He is an army veteran, and attended Butler University at Indianapolis.

R. J. Kille, Hartford special agent at Topeka for western Kansas, has moved his headquarters to Great Bend, where several companies now maintain their western Kansas offices.

Ohio Blue Goose will have a Valentine dance at Columbus Feb. 12. It is being sponsored by the women's auxiliary.

## WANT ADS

Rates—\$13 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Monday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—FIRE & CASUALTY EDITION

#### SPECIAL AGENT

GEORGIA and ALABAMA — Excellent opportunity with long established fire insurance company in well developed territory. Attractive present arrangements and excellent future possibilities. AM replies held strictly confidential. Our employees know of this ad. Address J-49, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

#### CASUALTY UNDERWRITER WANTED

Up to five years general Casualty experience. Age 25 to 35. For the Chicago branch office of The Travelers Insurance Co., (M. G. Bailey) Wabash 2-3000, 175 W. Jackson Blvd., Chicago 4, Illinois.

#### CASUALTY SPECIAL AGENT WANTED

for Wisconsin by a well known company with established agency connection. EXCELLENT OPPORTUNITY. Salary open. Address J-54, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### WISCONSIN FIELD MAN WANTED

by Western Department of prominent fire insurance company. Excellent opportunity. Salary commensurate with ability. Replies held confidential. Address J-55, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### WANTED — STATE AGENT

By multiple line stock group for Westchester, N. Y., territory — inspection bureau experience desirable but not pre-requisite — aggressive, personable, under 40 years — permanent connection, attractive salary — Address J-62, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill., giving full details of qualifications and experience.

#### BOND MANAGER — OFFICER

Twelve years' broad experience in fidelity and surety underwriting, production and supervision. Now in million dollar volume branch office. For personal reason wishes to join aggressive surety company. A.B. and L.L.B. degrees. Very highest references including reference from present company. Age 42. Address J-63, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### AVAILABLE CPCU PRODUCER

Experienced producer of commercial insurance desires connection with good agency. Participating or opportunity to earn substantial remuneration. Broad knowledge of business including programming, underwriting, rating and placing. Administrative and management ability. Address J-66, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### AVAILABLE

Executive, capable of handling production and underwriting of multiple line operation. 21 years experience in all phases of company practices. Address J-66, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### YOUNG FIRE INSURANCE UNDERWRITER WANTED

A casualty company operating in the Midwest has an opening for a young Fire Insurance Underwriter to work in newly organized Survey Department. Some traveling and appraisal work are required. In reply state age, qualifications and experience. Address J-67, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### WANTED

Experienced boiler and machinery claim manager in the home office of midwest casualty company. Address J-68, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### WANTED

Junior Automobile Underwriter with two or three years experience. Age 25-30. Excellent opportunity to grow with Company. Liberal employee benefits. State full qualifications and approximate salary desired. MICHIGAN MUTUAL AUTO INSURANCE CO. 121 W. Front Street Traverse City, Michigan

#### ILLINOIS FIELD REPRESENTATIVE

desired by established, well known Bureau casualty company opening branch office in Central Illinois. Several years' contact with agents in Illinois a requisite. Excellent opportunity for man who can qualify. Address J-70, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### COMPANY WANTED

Desire to have company for Florida, either Fire or Casualty, on General Agency Basis or on percentage of desirable volume developed. Address J-73, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### POSITION DESIRED

Supervisory position desired in Claims Department of casualty insurance or multiple line company. Graduate attorney. Ten years' experience, 5 years' adjusting, 5 years' supervisory capacity, also some fire and marine. 3 years' Home Office experience. Midwest location preferred. Salary open. Address J-74, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### GENERAL AGENCY WANTED

by a local and general agent for a fire company in Colorado. Need a company that pays a commission to the General Agent so that he can in turn pay 25% to the producer, the local agent. Address J-76, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### STATE AGENT — OHIO

EXCEPTIONALLY FINE OPENING IN CLEVELAND AREA FOR EXPERIENCED FIRE MAN. UNDER 45. NO HEAVY TRAVEL. EXCELLENT PLANT AND VOLUME. WRITE IN CONFIDENCE TO THIS TOP FLIGHT STOCK COMPANY WHOSE MEN ARE AWARE OF THIS GRAND OPPORTUNITY. ADDRESS J-78, THE NATIONAL UNDERWRITER, 175 W. JACKSON BLVD., CHICAGO 4, ILL.

#### AGENCY WANTED

Coastal areas of Florida developing minimum gross commissions of \$20,000. Two experienced multiple line field representatives. Address J-79, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

#### FIRE MAN AVAILABLE

Underwriter with extensive Company and Agency experience wants connection with progressive Chicago agency. Capable of assuming full charge of department. Successful record working with brokers in analyzing and servicing large accounts. College graduate, age 40, dependents, \$500.00 Monthly. Address J-77, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Donald associated talk on 'Workmen meeting National 24. Mr. Traveler.

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## NEW YORK

### BURGESS TO ADDRESS BUYERS

Donald C. Burgess, president of Associated Safety & Claims Services, will talk on "The Place of Self-Insurance in Workmen's Compensation" at a closed meeting of the New York chapter of National Insurance Buyers Assn. Jan. 24. Mr. Burgess was formerly with Travelers at Newark.

### FIREMAN'S FUND UPS HAWLEY

Earl K. Hawley has been appointed agency superintendent in the New York indemnity department of Fireman's Fund group. He will have charge of field servicing and development activities.

Mr. Hawley joined Fireman's Fund in New York in 1951. He is a graduate of the University of Connecticut and a C.P.C.U.

### TO DEBATE COMPULSORY COVER

Henry Moser, general counsel of Allstate, and Frank Wigg, White Plains, N. Y., local agent, will speak against compulsory automobile liability insurance in a radio debate Sunday, Jan. 20, at 4 p.m. over Station WFAS, White Plains. Speaking for the proposal, which is currently a hot topic in New York state, are Henry Hofheimer, Jr., and Benedict Ginsberg, New York City lawyers.

### HOUGHTON JOINS HARTFORD FIRE

Henry H. E. Houghton will join the New York office of Hartford Fire on Feb. 1. He has been active in New York City insurance circles for more than 30 years. He will work on production.

### REINS CLUB ELECTS JAN. 30.

Reins Club of New York will elect officers at a dinner meeting Jan. 30.

### Kaga Detroit Agency Partner

Don G. Kaga has become a partner in the Pfalz & McGraw general agency of Detroit. Since the death of Edward Pfalz, the partnership will be operated in association with his widow.

Mr. Kaga has been with Secured F. & M. and Secured Casualty as vice-president and director of agencies, and has been in the insurance business in Indiana for 20 years. He is a past most loyal gander of Indiana Blue Goose and served as secretary of Indiana Fire Prevention Assn. and as president of Indiana Fire Underwriters Assn. He graduated from Northwestern university insurance course, which he attended under the sponsorship of Home.

### Western Pacific Expands

Western Pacific of Seattle has now been licensed to write casualty lines, including automobile, disability, inland marine and fidelity. Originally it was chartered to write fire and allied lines. Western Pacific has applied for admission to Idaho and seeks broadening of its license in Oregon for the same lines as in Washington. It recently absorbed Pacific States Fire & Indemnity of Portland.

### Ryan to Swett & Crawford

Charles J. Ryan has resigned as special agent at Seattle for New York Underwriters to join Swett & Crawford at Seattle in the Lloyds department. After extensive field experience, he established the Seattle branch of Canadian Fire and Canadian Indemnity in 1943. He joined New York Underwriters in 1945.

### Agents' Brokers' Status Told

At the annual luncheon of Insurance Brokers Exchange of California at San Francisco, John S. Bolton, Los Angeles insurance attorney, spoke on the legal responsibilities of insurance producers.

Mr. Bolton said analysis of California appellate court decisions regarding the

standards of care and diligence to be exercised by an insurance broker or agent "indicates the courts have given them a professional status." He outlined the distinction set up by the decisions between an agent and a broker.

Commissioner Maloney and A. Albert Mueller, chief assistant commissioner, were guests.

### N. J. Goal Is 1,500 Members

Membership of the New Jersey Assn. of Insurance Agents is now 1,271, the highest in years. It is hoped to increase it to 1,500 by the time of the mid-year meeting in April.

### Elected Bank Directors

ST. PAUL—At the annual meetings of St. Paul banks several insurance executives were elected directors. The First National Bank elected C. F. Codere, chairman of St. Paul F. & M. First Trust Co. elected Mr. Codere and W. H. Lang of the W. A. Lang agency. Henry Guthunz, president of Anchor Casualty, was named to the board of Empire National.

### Joins G.A.B. at Salt Lake

Theodore R. Hertel has joined the casualty staff of General Adjustment Bureau at Salt Lake City. He has been an adjuster in Oregon for eight years, most recently with General of Seattle.

The Salt Lake City Office of G.A.B. has been moved to a new ground floor location at 159-161 East Second South street.

### Citrus Loss Trial Starts

Trial has gotten under way at Jacksonville, Fla., in the suit to collect from insurance companies for the loss by fire in 1947 of the citrus canning plant of the Lee Co. of Tampa at Tarpon Springs, Fla. Associated with the Lee Co. in the plaintiff's side of the case is Marine Bank & Trust Co., and Trust Co. of Georgia, both of which had mortgages on the plant and equipment. There are eight insurance companies involved.

William E. Lee, manager of the plant, was acquitted of arson charges despite the fact that William Gordon Mitchell, a citrus worker, and John Allen, foster son of Lee, confessed to arson, asserting it was done at Lee's behest. The insurers deny liability on the ground that two men were convicted on arson charges in connection with the fire.

Ohio Fire Underwriters Assn. held its monthly meeting at Columbus Tuesday. A feature was the "induction" of new members.

## CHICAGO

### INSURANCE ACCOUNTANTS MEET

Chicago Insurance Accountants Assn. met to discuss its revised constitution, and to plan for the new year. Chairman was President N. J. Hyne, Home.

### LADIES TO HEAR DITHMER

Walter G. Dithmer, assistant manager of Western Underwriters Assn., will speak on "How Are All Your Relations?" at the Jan. 17 meeting of Insurance Distaff Executives Assn. of Chicago. The new W.U.A. film, "Introducing the Policymen," will be shown.

### BUYERS TO HEAR LASHMET

E. N. Lashmet, vice-president of Liberty Mutual, will speak on "Comprehensive General Liability" Jan. 17 to Mid-West Insurance Buyers Assn.

### BARNES, SMALEY FEATURED

The name of the Chicago law firm that is counsel for Western Underwriters Assn. and that is closely related to fire insurance organization affairs in the west, has now been changed to McKinney, Carlson, Barnes & Smalley. It was formerly known as McKinney & Carlson. At the same time John Potts Barnes has been admitted to membership in the firm. Besides Mr. Barnes the members of the firm are Hayes McKinney, C. Oscar Carlson, John H. Smalley and Jeffrey Shedd. Spencer E. Irons continues as an associate.

### AMERICA FORE ROUNDUP

The annual field round-up of the western department of America Fore gets under way at Chicago next Monday and continues over a period of three days. This brings to the city about 175 outsiders including farm department representatives and adjusters, as well as recording field men, and representatives from the Canadian provinces that are supervised from Chicago. There will be a number on hand from the New York head office. The grand occasion of the week is the banquet Tuesday, which will be attended by department heads and supervisory people from Chicago as well as by the outside group. This comprises a company altogether of about 300. The vice-president and western manager, E. A. Henne, will do the presiding honors.

### Downs Forms New Firm

John W. Downs, who is advisory counsel of Insurance Federation of Massachusetts and is general counsel

of New England Fire Insurance Rating Assn., and William L. Parsons, who recently retired as general attorney of New York Central Railroad, have formed a law firm at Boston of Downs & Parsons. Offices are at 11 Beacon street.

### Great American Roundups

The first of three Great American western department field conferences is to be held at Colorado Springs Jan. 27-29 for Missouri, Oklahoma, Colorado, Kansas and Iowa. Then there will be a gathering at the Edgewater Beach hotel, Chicago, Feb. 3-5 for Minnesota, North Dakota, South Dakota, Kentucky, Tennessee and Michigan. There will be another meeting at Chicago Feb. 10-12 for Indiana, Illinois and Nebraska.

At the first two meetings the field men of both fire and casualty companies will be together. Vice-president W. E. Newcomb will preside at the fire company conferences, and Vice-president L. C. Knapp at the indemnity company gatherings. It is expected that Walter T. MacKinnon, manager of general cover department, and Walter Lehr, vice-president of Carpenter & Baker, will be present to address the conferences.

### Downing Now Partner

Howard G. Downing has been named as the third partner in the Braun & Braun agency at Flint, which heretofore has been operated by Phil J. Braun and his son. Mr. Downing has been with the firm for a year, and before that was Michigan state agent for National Fire. He graduated from Illinois Tech and for five years was with Tennessee Inspection Bureau.

### Wightman St. Louis Head

ST. LOUIS—John Wightman, Jr., has been elected president of Insurance Board of St. Louis to succeed John J. Henschke, who was made chairman. Vice-president is Paul Schroeder; secretary, J. Boyd Hill, and treasurer, Arthur Hunthausen; executive committee William R. Dunham, H. Roland Bieser and John Brodhead, Jr.

The officers will be installed at a banquet Jan. 17. The oath of office will be administered by Superintendent Leggett of Missouri.

### Lancione at Steubenville

Nelson Lancione, former assistant attorney general in charge of insurance matters, will address Jefferson County Assn. of Insurance Agents at Steubenville, on Jan. 17 on the new Ohio financial responsibility law.

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## EDITORIAL COMMENT

### Wrongdoer Should Not Be Scot Free

There is considerable disposition in these times to reexamine the basic principles on which the structure of third party liability insurance is erected. For example, one observer who is thoroughly familiar with the law and its practice and with this kind of insurance suggests that the answer to the clamor for compulsory automobile liability insurance is to charge the wrongdoer with part of the damages for which he is liable by making him a coinsurer of his own liability, preferably by legislation. Perhaps this could be done on a percentage basis.

The common law theory of tort liability and damages is predicated on the principle of exacting retribution from the tortfeasor. The automobile liability insurance policy buys him immunity from the consequences of his act. If he could not buy complete immunity he would drive more carefully. A juror passing judgment on one of his peers would be more apt to do unto the defendant as he would like to have done unto himself—not as he would like to have done unto the insurance company. After all, most jurors—and judges—are insureds or relative of insureds.

The proposal conforms casualty insurance practice to tort liability principle. It is workable particularly if a minimum is applied to exclude smaller claims.

Reasonably probable benefits are lower

verdicts, reduced accident frequency and lowered rates. Collusion would be eliminated and cooperation would be guaranteed. Public relations of insurers would be improved with increased public understanding of the nature of liability.

A collateral suggestion—less important but equally expedient—in the defense of the financial responsibility law would be to provide medical payments coverage to any person injured in an accident involving one or more insured automobiles. This extension of the successful medical payments principle would eliminate most of the outrageous cases cited as examples and used as ammunition by the proponents of compulsory insurance and compensation plans, especially the latter.

The automobile liability insurance business has diverged too far from its *raison d'être*. Bring the two together again and the solution to many of the industry's problems becomes self evident, he believes.

Another observer thinks that it has become too much a question of who gets paid; there is practically nothing left of the question of who is in the wrong. Police departments, motor vehicle bureaus, insurers, concentrate on how to close out the file, and there is much reliance on money as the way to do it. It is doubtful if so serious a problem can be solved by accounting. The problem needs to be kept in focus.

### Comprehensive Social "Insurance"

The CIO is pushing a "comprehensive social insurance system which provides adequate security for the entire nation." This project of the CIO's has at least a couple of interesting implications.

The type of program described in the CIO Economic Outlook would apparently take over very largely certain forms of coverage, such as health, hospitalization, and medical expense insurance, now insured by private carriers.

The first pertinent observation is that it seems curious that a union should be trying to get the government further into a field already occupied by private business. The unions have done well for themselves since the onset of the New Deal in getting the government's cooperation in obtaining more and more concessions and benefits from employers. The successful union formula would seem to be to keep on using the government as an ally in any conflict of

interest with employers, rather than to get things changed so that the government itself becomes the employer.

Perhaps the government, operating on the taxpayers' money, might prove more of a pushover for union demands than a private employer would be, but the unions might well find the government tougher about giving raises and concessions—and particularly in resistance to strikes—than a private employer who is up against a combination of labor and government, as is frequently the case today.

It is hardly to the union's interest to promote a trend which could eventually wind up with the government as everybody's employer. This would be a sad day for private employers, of course, but it would be just as sad a day for the unions.

Government invasion of the insurance business is all that is being talked about right now. The theory, of course, is

that the government should guarantee security and the more abundant life to everybody. This concept started out on a so-called subsistence level, as a humane substitute for the poor-house and other galling forms of charity. But it has long been obvious that many proponents of social insurance are aiming far above the subsistence level.

If it is reasonable for the government to provide "insurance" coverage for all citizens—not on a subsistence basis but at a fairly high standard of living—then why shouldn't the government also have the obligation to build automobiles at subsidized prices for all citizens? In fact, why shouldn't it go into the business of supplying everything that the public uses, with the possible exception of the more frivolous types of products and services, if this principle is sound?

Of course, what confuses the picture with regard to social insurance and makes it seem different from other forms of business activity is the hopeless conglomeration of real insurance, charity and vote-buying handouts that social insurance comprises.

Years ago, when socialistic do-gooders were trying to make their schemes sound plausible and acceptable they were ingenious enough to borrow the insurance tag from a sound and highly respected institution. If the insurance label had not thus been perverted, a lot of the muddled thinking that goes on today about so-called social insurance

might have been prevented and the whole setup shown up for what it is—a scheme for redistributing wealth that has in it a very large element of buying the people's votes with their own money.

A system of "premiums" is set up to convey the impression that recipients of what is largely federal and/or state charity are getting only what they have paid for. If it were not for this "premium" feature, the taxpayers would certainly be a lot more alert to the way their money is being used to supply benefits to almost anyone who puts his hand out.

From that point of view, it would be far better if there were no social security taxes levied in the guise of premiums. What we seem to be working toward, anyway, is a system under which everybody gets a living income and repayment for any out-of-the-ordinary outlays. That being the case, there would be a lot more chance of holding the benefit basis to somewhere near a subsistence level if it were recognized as charity, hand-out, reward from a grateful government, or call it what you will, in fact anything but a rightful return for premiums paid, which the insurance designation implies.

It is a pity that the real insurance business hasn't a copyright on the term "insurance" so that it could deny the use of the label to wealth-redistribution plans where it is used to gain the support of the unthinking.

## PERSONAL SIDE OF THE BUSINESS



Selden K. Griffen, newly appointed secretary of Phoenix of Hartford, has been with that company since 1913 and exercises executive responsibilities in the automobile, ocean marine and aviation underwriting departments. He has been an assistant secretary since 1947. He was

founder and first president of Automobile Underwriters Club of Hartford.

Theodore R. Butler of the Butler-Robinson agency has been elected mayor of Portsmouth, N. H. He has been a member of the city council for two years.

E. H. Born, manager of Western Underwriters Assn., is enjoying a vacation by motor in Florida.

Henry C. Gessing, associated with E. Kinker & Co., Cincinnati local agents, has been elected director of Seventh Ward Building & Loan Assn.

George F. Manzelmann, president of North American Accident and head of Chicago Baptist Assn., spoke at a dinner-meeting of the Baptist Brotherhood of Madison, Wis.

A. F. Powrie, retired vice-president and western manager of Fire Association, and Mrs. Powrie are starting off next week for Clearwater, Fla. Later in the season they expect to go to the Mississippi gulf coast.

Norman E. Risjord, who has just been designated vice-president and general counsel of Employers Reinsurance, has been with that company since 1940 and has been in charge of the legal staff with the title of general counsel for several years. He has a law degree from University of Wisconsin and practiced law in that state six years before going with the Hardware Mutuals in 1936.

John B. Wornall, Jr., who was elected treasurer, went with Employers more than 25 years ago and since 1932 has been assistant treasurer. He was educated at a number of colleges including William Jewell, Williams, Colorado University and Kansas City school of law. He was a lieutenant-commander in the navy in the last war.

William A. Hannon, who has also been elected a vice-president of Employers, has been with that company since 1931 and has been assistant secretary since 1936. For several years he has been in charge of the excess libel insurance division and is an authority on

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## Compulsory Auto Cover Is Bypassed by Gov. Dewey

### Insurance Men Support Plea for Car Inspection, Insurance Survey

No mention of compulsory automobile liability insurance was made by Governor Dewey in his message to the legislature last week, and the insurance people regard as favorable the governor's recommendations calling for a compulsory state-operated automobile inspection system and a survey by the state motor vehicle commissioner of the number of motorists carrying liability insurance.

The New York Times had predicted that Mr. Dewey would support compulsory liability insurance, and the Times came out editorially in favor of compulsory coverage, commenting that "the arguments offered by some insurance companies against compulsory insurance are empty of persuasion."

Mr. Dewey offered the legislature a five-point program to reduce highway accidents, and in addition to the inspection system and insurance survey, urged that high school driver training programs be made available in every community, that the highway police be granted an increase in salary to make that occupation more attractive, and that the insurance department conduct a survey as to the feasibility of effecting a "reduction in insurance premiums for safe drivers."

### Committee Opposes Idea

When the word got around that Mr. Dewey might come out in favor of compulsory coverage, the companies formed a committee to discuss that question with the governor's advisers. However, it was not known, apparently, what stand the governor would take, until his message actually was delivered.

The insurance people have little hope that much can be worked out in the way of merit rating for liability insurance. A legislative resolution in Virginia last year called upon the companies to come up with an answer to this problem, and they were unable to make a satisfactory recommendation. The committee in charge was told to continue its studies along this line, but in view of the history of automobile merit rating, the insurance men feel that the problem is almost insurmountable.

### Favor Most Recommendations

Mr. Dewey, it is noted, asked that the safe drivers be given a reduction from the present rates. Some of the company people feel that if any such thing is to be done, a better solution might be to give the unsafe drivers an increase. The cost of operating a merit system is to the companies equally as expensive as whatever benefits may accrue from it, and probably, it is felt, merit rating would prove to be a money loser for the insurers. The companies are much in favor of the other four recommendations made by Mr. Dewey. The automobile inspection system, it is agreed, cannot help but correct many of the hazards of unsafe automobiles. The companies also will be glad to have the state conduct the survey on the number of people carrying liability insurance.

Insurance people were distressed to find the New York Times editorially supporting compulsory automobile lia-

## U.S.A.I.G. Covered Crashed Northeast Airlines Plane

United States Aviation Insurance Group has the hull and liability coverage on the Northeast Airlines plane from Boston that undershot a runway at LaGuardia Field outside New York City and crashed into the East river on a rainy, foggy morning.

Only six of the 33 passengers were hospitalized. The plane hull was being salvaged from the river.

Hulls of these two-engine planes are valued at about \$450,000.

Associated Aviation Underwriters did not make the customary full check on claims that it usually orders on air crashes when a death is involved. Its trip ticket policies carry death, dismemberment and medical reimbursement benefits. On disasters, the group calls in records to determine whether it insured anyone on the plane involved. But this isn't necessary when no fatalities occur, for the simple reason that the insured passengers are able to report in on their own that they have the insurance.

J. Lester Hourigan, Winthrop, Mass., insurance investigator, was a passenger on the plane. He was treated for shock at a hospital and then released.

### "Medical" Was \$108,000

The total medical costs paid by Ohio state workmen's compensation fund were \$108,000 on Robert Steger, who died the other day at Cincinnati, after having been in a coma nine years. His story was extensively publicized. He was a 61-year-old electrical engineer and was known as "Patient X." He was struck on the head by an 8-pound pulley that fell from the ceiling of a Curtiss-Wright plant where he was working and he entered the hospital Feb. 4, 1943.

bility insurance Jan. 11. This was in an editorial referring to Governor Dewey's statement that consideration is being given to the insertion of a question on automobile registration blanks requesting information on insurance so as to procure an accurate survey of the number of uninsured motorists.

The New York Times declared that this means a delay of at least one year, and possibly two, before the legislature might act on the facts gathered.

"If compulsory automobile insurance is a good idea," the editorial states, "and we believe it is, then we see no reason why the matter cannot be acted on at this legislative session."

The New York Times, however, then goes on to make an erroneous assumption saying that the insurance companies must know how many cars they insure, the type of insurance and the amounts of liability. Accordingly, the New York Times suggests the insurance companies should be canvassed and the number of cars covered subtracted from the number of cars registered in the state.

The Times didn't take the trouble to discover that to count noses this way is not possible.

The Times goes on to say, however, that the general picture would be little changed even if it should be found that only 10%, say, of registered cars are uninsured. The editorial declares that the fact that most cars are insured is of scant comfort to the injured, or the bereaved if one of the uninsured cars is at fault. "If the principle of compulsory insurance is right—and no one believes that such insurance will solve the whole catalogue of highway risks—then the statistics of coverage or non-coverage, while interesting, will not be controlling on a decision."

New York Board of Trade has endorsed Gov. Dewey's proposal for compulsory automobile inspection laws.

### LEGION INVESTIGATES

## Companies' Attitude Fair on Servicemen's Auto Insurance

There is not the practice of the automobile liability insurers to refuse to write servicemen who take their cars to military camps, the American Legion magazine reports in its "Newsletter."

"Smaller companies and mail order companies make most such refusals, as do some of the larger companies where the applicant is a stranger, or has an accident record," the magazine reports. "Although the record shows clearly that unmarried men under 25 away from home have proved very hazardous, as a group, for auto liability insurance, far from all such insurance is refused. Experience with younger servicemen hasn't encouraged companies to seek the business. The same hesitancy has always applied to college students with cars away from home."

### High Risk Is Recognized

"Newsletter has discussed this problem — after receiving a lot of complaints — with liability companies and underwriters. Some insurance men say the service risk is even higher than the college risk. They cite 1000-mile trips on three-day passes, lending or renting cars for a night to comrades, and experience of more and worse accidents. Even so, most companies will give coverage if client's good driving record and approved mature driving attitude is known to the company through family brokers; or by writing certain protective clauses into the contract. Parents are reminded that if son takes family car to college or camp, family broker should be consulted to determine if this affects existing family automobile liability insurance contract."

## Consumer Credit People and N.A.I.C. Group Reach Terms

MIAMI—High lights of new rules and regulations covering life and disability presented to the meeting of Consumers Credit Insurance Assn. by an insurance commissioners committee were full revelation of delivery of policies to all, whether under group or individual contract, and provision for policy terms to be commensurate with premium charged. Commissioners and industry were in agreement by the end of the meeting Saturday and the rules will be presented at the meeting of zone 3 at Panama City, Fla., in April.

### Three Departments Represented

Commissioner Larson and E. A. Faircloth represented Florida, J. S. Hale, actuary, the Tennessee department, Judge J. Van Wilhite, Georgia.

Coastal Life and Southern Life of Atlanta were elected members of C.C.I.A. The total membership now is 14. The budget for 1952 is \$25,000, over half for bettering relations between industry and public.

One family in every five voluntarily bought insurance to cover small loans or installment contracts during 1951, C.C.I.A. reported. More than 10 million separate policies were bought to provide life insurance and disability coverage for consumer credit.

Sale of credit life insurance increased more than 40% in 1951 over 1950, while credit A. & H. insurance increased by 150%, Jean Brandt, executive secretary, reported.

Sale of credit life insurance in 1951 totaled about \$3 billion 700 million, Miss Brandt reported.

## Must Speed Trials or Face Compulsory Menace, Judge's View

### N. Y. Presiding Justice Asks Insurers' Aid in Clearing Tort Calendars

NEW YORK—An urgent plea to the legal profession and to casualty companies to take prompt action to reduce the 46 months' delay in the supreme court tort jury calendar, meaning principally the lineup of negligence cases awaiting trial, was made by David W. Peck, presiding justice of the appellate division of the first department, at a meeting attended by 600 negligence lawyers and casualty company executives and claims men.

Speaking for all of his associates, Justice Peck asked the lawyers to bring their suits in the court in which they belong or transfer them to that court; to be ready for trial when cases are reached, to waive juries and expedite trials, and to settle cases whenever justifiable. Preferably, he said, the settlements should be made at the pre-trial conference or earlier, when settlements are the most advantageous for all concerned, although they should be made in the calendar parts if they have no definite trial dates and even in the trial parts if they have gone that far.

### May Take Cases from Courts

He said that if the courts did not take prompt, additional measures to dispense justice in more timely fashion, then "we face the inevitable day when a public sufficiently aroused and exasperated will take these cases, automobile accidents at least, bodily out of the court and place them with an administrative agency like a compensation board."

He said there are strong social arguments for a system of compensation for automobile injury, like workmen's compensation, not merely as a reaction or rescue from court hands, but as a positive program of social justice. He said that he did not accept that argument and that there are even stronger arguments for the present system if it can be made to work. He reviewed the points brought out by those who advocate the compensation setup but said that "with some differences in degree of feeling, the justices of our court do not believe that a compensation system would be advisable if it is possible to deal with accident cases in the courts without undue delay."

### Now 13,000 Cases on Calendar

There are now 13,000 cases on the tort jury calendar in New York county. The lag or delay between the time of institution of a suit and its trial is continuing to increase.

There are too many cases going through the bottleneck of a jury trial, he said. It has become one because jury trials were generally sought by plaintiffs' lawyers who thought they might fare better with a jury than with a judge. When it became bottlenecked a jury trial was sought by insurers of defendants because it meant delay, and delay is considered an advantage in inducing settlements on terms favorable to the insurance company. He said almost exactly as many jury trials were demanded by defendants last year as were demanded by plaintiffs.

## Cal. Youth Hurt in Dive Off Pier Awarded \$330,000

SANTA ANA, Cal.—Richard Ferris, 19, has been awarded damages of \$333,000 by a jury in Orange county superior court for injuries sustained when he dived off a Huntington Beach municipal pier into water said to be shallow because of low tide conditions.

In the same judgment, his mother, Mrs. Madeline Ferris Madson, was awarded damages of \$25,000 for expenses until he reaches the age of 21.

The cause of action was established and judgment (thus far not reduced by the trial court) rendered despite defense allegation that the youth dived off the pier in the face of warning from a life guard and in defiance of a municipal ordinance prohibiting diving without express permission of the life guard on duty and unless the chief lifeguard was present.

Motion for a new trial is pending and in case the motion is not granted, it is said the judgment will be appealed.

Insurance on the municipality was

carried by Pacific Indemnity under a general liability form amounting to \$500,000, of which the primary company retained at the time a net of \$20,000, the excess being divided evenly between Employers Reinsurance and European General.

## Colcock Elected President of New Orleans Exchange

New Orleans Insurance Exchange has elected W. Ferguson Colcock president, to succeed Gary E. Gillis, Jr. The new vice-president is Charles L. Rittenberg, and secretary, Alfred M. Barnes, Sr. Leonard M. Wise was reelected treasurer.

New directors are Mr. Gillis and Louis M. Bodenheimer. George T. Tessier and John Singreen were reelected directors.

The exchange now has 130 members and practically all of the stock agency companies.

## Suter General Agent

Charles F. Suter has been appointed general agent at Washington, D. C., for Massachusetts Indemnity. He has been the assistant general agent.

## W. A. EDGAR RETIRES AT N. Y.

# U.S.F.&G. Names Jeffery, Ray Walker Chicago Head

William A. Edgar, vice president of U. S. F. & G. at New York since 1945, announced his retirement at a luncheon which he gave for the staff.

Walter J. Jeffery, Chicago manager, has been elected resident vice-presi-

dent in 1952. At his request he took over the Philadelphia office in 1934, winning the company's Davis Cup award for excellence in achievement in 1936, 1938 and 1940.

Mr. Jeffery was employed at Chicago as a casualty underwriter in 1929, and appointed resident secretary in 1943. He was promoted to assistant manager in 1949 and became manager in 1950.

Ray L. Walker, Philadelphia manager,



WILLIAM A. EDGAR

dent and will succeed Mr. Edgar at New York. Mr. Jeffery attended the luncheon.

Others present included Chairman R. Howard Bland, Executive Vice-president Charles L. Phillips, and Vice-president John D. Williams.

Mr. Edgar started with U. S. F. & G. in 1922 as director of the agency development department and became vice-



W. J. Jeffery



Ray L. Walker

becomes resident vice-president at Chicago.

Hiram E. Hollings, assistant manager at Philadelphia since 1947, becomes Philadelphia manager.

Mr. Walker was employed as an adjuster at Chicago in 1934, and after assignments as claims superintendent at Charleston, W. Va., Denver, and St. Louis, he became claims superintendent at New York. In 1940 he was promoted to assistant manager at New York and in 1945 was transferred to Philadelphia as manager.

Mr. Hollings has been with U. S. F. & G. since 1932, starting as a special agent at Philadelphia. He was in the navy in the first war.

## Mich. Governor Favors Unemployment Disability

LANSING, MICH. — Unemployment disability legislation was recommended by Gov. Williams in his message to the legislature. He noted that he had recommended a legislative study of the subject last year and that such a study has been undertaken by a senate committee. He warns that in formulating such a program, "care should be taken to keep administrative costs to a minimum in order that the disabled worker might derive the fullest benefits."

The governor also advocated further broadening of the workmen's compensation act, including an additional increase in the compensation rate to bring it at least to 50% of the average weekly wage; an increase in dependency allowances, coverage of employers of any number of employees; provision of medical care on an indefinite time basis; coverage of silicosis victims on the same basis as other disability victims, and elimination of the provision that injured employees in cases involving third party negligence elect to accept compensation or sue the third party.

## Gets \$50,000 Bond Judgment

Hartford Accident has secured a \$50,709 judgment against Carroll Carter, former treasurer of King county, Wash. After Carter left office, discovery was made of a \$73,000 shortage in the accounts of Arlo F. Warner, a member of Carter's staff. Hartford paid the loss.

Later Warner pleaded guilty to a grand larceny charge and was sentenced to prison in 1948. Approximately \$47,000 of the loss was allocated to Carter's bond, for which Hartford brought suit. In addition, the company recovered interest and expenses in connection with settling the claim.

## Ia. Ban on Restrictive Auto Policies Under Advisement

DES MOINES—Commissioner Fischer has taken under advisement the question of prohibiting the use of restrictive endorsements on auto casualty policies. Representatives of about 40 companies attended a continued hearing and presented a brief on the matter.

Mr. Fischer issued a bulletin last November prohibiting the use of restrictive endorsements which limit liability to coverage of members of the insured's immediate family, but following a first hearing agreed to hold up the prohibition of the endorsements until another meeting could be held.

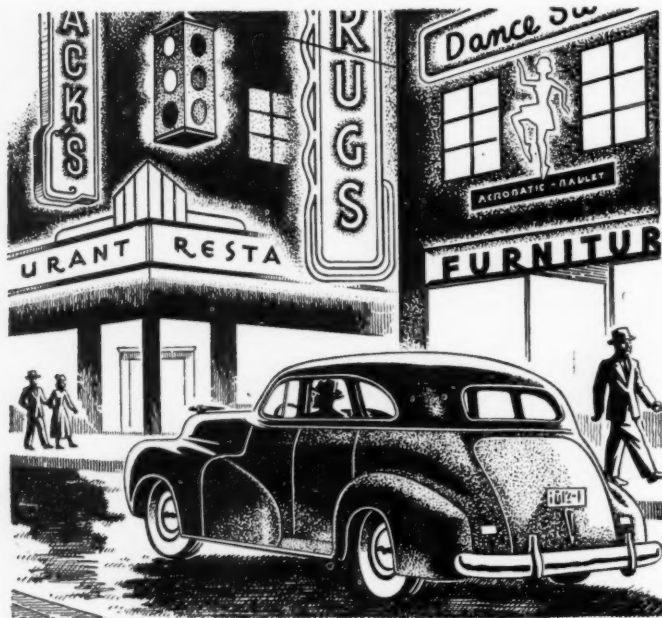
Mr. Fischer said that when he announces his decision he will probably rule at the same time on whether General Casualty of Wisconsin can refuse to write new insurance on servicemen and students under 25. The company recently announced that it would no longer accept this new business in Iowa.

## New Columbus Officers

Columbus (O.) Claims Club Monday installed new officers: William E. Watson, Ohio Farmers, president; Dale C. Schafer, Pennsylvania R.R., vice-president; Knox M. Stewart, Grange Mutual Casualty, secretary, and Lee Hall, American-Associated, treasurer.

## Amer. Health Plans Rally

American Health will conduct a sales meeting for general agents and selected producing agents at Baltimore, Feb. 12-13. The banquet speaker will be E. H. O'Connor, managing director of Insurance Economics Society, who will outline how the agent can play a part in preventing socialization of insurance.



## STOP? — NO, GO!

Everyone in the insurance business knows the toll of this **COSTLY CONFUSION**. Let us all unite to think about, talk about, bring about uniform traffic regulation.

THE YORKSHIRE  
INSURANCE CO. LTD.

SEABOARD  
FIRE MARINE AND THE

YORKSHIRE  
INDEMNITY CO. OF N.Y.

90 JOHN STREET — NEW YORK CITY

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# BOOSTS COMPULSORY

## Court Enjoins High Chicago Cab Limits, Surplus Provisions

A temporary injunction has been issued by Superior Judge Haas at Chicago against a city council ordinance setting up minimum taxicab and livery insurance requirements of \$50/100 B.I. and \$5,000 P.D.L. and requiring that the primary insurer of cabs be possessed of assets with a net value in excess of \$1 million.

Motion for injunction was made by several cab operators and Exchange Insurance Association of Chicago through Attorney Wyatt Jacobs. Judge Haas ruled the ordinance invalid because it conflicts with the motor vehicle law of the state, contravenes public policy of the legislature, and excludes insurers that have complied with the motor vehicle law from doing business in Chicago by prescribing a different standard of insurance requirements. The judge also ruled that the city council does not have lawful authority to promulgate such an ordinance. It was Mr. Jacobs' contention that under the ordinance the city council was preempting the state's right to regulate insurers.

### Squashed Cab Market

The insurance section of the ordinance became effective Jan. 1. Originally, the city council sought to require cab insurers to possess a net worth of \$5 million, but finally settled for the lower figure. Even this amount had a serious effect on the Chicago cab insurance market since the principal insurers of that line are not that sizable. Also, the premiums were so high that many independent cab operators were unable to secure the proper coverage and as a result were refused city cab licenses. The ordinance is due to come before the city council again the early part of February.

At an informal meeting of the Chicago city council taxicab subcommittee Tuesday following issuance of Judge Haas' temporary injunction, it was agreed that the provision requiring \$1 million in assets for companies writing taxicab liability should be eliminated from the ordinance.

It was hoped, however, that the liability requirements per cab could be retained, provided the limitation on insurers is eliminated.

In his opinion, Judge Haas digressed from the matter to give a boost for some sort of compulsory automobile insurance. "No person," he said, "should be permitted to operate a motor vehicle in Illinois without having proper insurance in a company approved by the Illinois Insurance Commission." He added that it "is a matter for the legislature to protect its citizens by placing such a law upon the statutes. Thus far the legislature has failed in its duty to the public at large."

A temporary injunction obtained by Illinois Taxicab Assn. restraining the state from forcing provisions of a bill increasing insurance limits for cabs has been dissolved. The state limits are \$15,000 covering both B.I. and P.D.L. The law also requires that insurers of cabs must have a net worth of \$300,000.

### Install N. Y. Officers Jan. 24

A. & H. Club of New York will install its new officers at a Jan. 24 dinner meeting. The installation will be by Rexford Crewe, New York production manager of Hartford Accident and president of Insurance Institute of America. William L. Kick, Fireman's Fund Indemnity, is the new president.

Joseph H. Norton, resident vice-president at New York of Continental Casualty, will speak on "Letting the Sales Force Guide Sales Policy" at the marketing conference of American Management Assn. in that city on Feb. 12.

## Await Action on Excess Limits Table Increases

Filings, it is understood, have already been made for revision for automobile bodily injury excess limits table. This provides for a return, so far as private passenger cars are concerned, to the table that was effective prior to Jan. 18, 1932. The table that went into effect on that date was about 25% lower than

the previous table so that the new filing brings about an increase of about 36% in the charges for increased limits coverage.

For commercial cars including long haul trucks, a new table would be introduced that would be 25% higher than that for private passenger cars. This change is estimated to cause an increase of about 70% in the charges for excess limits cover for commercial vehicles and 13% for long haul trucks. There would at the same time be introduced a rule for a minimum premium of \$2 for increasing B. I. limits on outstanding policies. There would be no refund for

reduction of limits in mid-term at the request of the assured where the difference is \$2 or less.

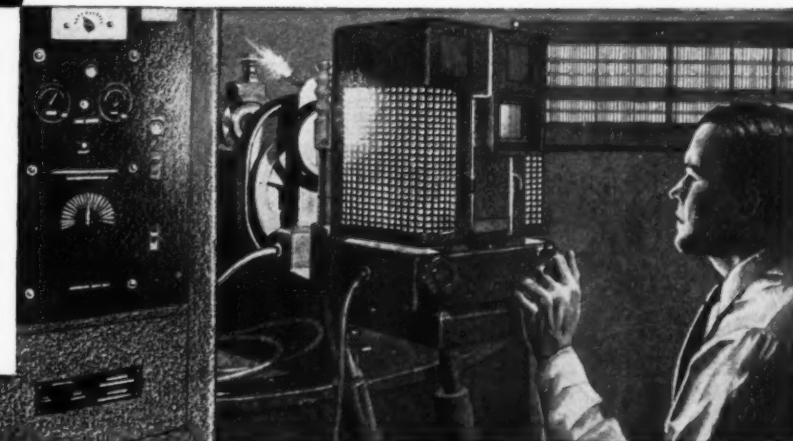
### Board of Trade Group Plan

Members of Board of Trade of Chicago have been notified by the executive committee that a group accident and sickness insurance plan is to be sponsored exclusively for Board of Trade members. The plan is underwritten by Continental Casualty and collections will be made direct from members by the administrator. The details are to be conveyed to the members later.

## Like F&D, he SPECIALIZES

### CHASING RAINBOWS

is his job. A spectroscopist, he forces hard metal to yield its inner secrets... reads its chemical composition in the brilliant colors of its spectrum. No problem of analysis long defies the specialist.



The most important requirement in the successful selling of fidelity and surety coverages is the ability to analyze a prospect's bonding needs. To make such an analysis, however, frequently requires a more intimate knowledge of the subject than many general insurance agents have time to acquire.

F&D enables its representatives to overcome this hurdle by maintaining staffs of bonding specialists at numerous points throughout the country—men who are prepared to act swiftly and authoritatively in connection with all bonding problems.

Always ready to respond to an agent's call, F&D's field men bring with them to the sales scene the accumulated experience of a company that has specialized for more than 60 years in the underwriting of fidelity and surety bonds.



FIDELITY AND SURETY BONDS  
BURGLARY, AND OTHER NEEDED  
FORMS OF INSURANCE

**FIDELITY AND DEPOSIT COMPANY**  
Baltimore Maryland

AFFILIATE: AMERICAN BONDING COMPANY OF BALTIMORE

## N. Y. Company Men and Brokers Weigh Auto Headaches

NEW YORK—Pleas for more cooperation between companies and producers' organizations were made at the January meeting of the Casualty Managers Assn. of New York where heads of the various producers' organizations and representatives of the trade press were guests.

The automobile problem predominated in the discussion. Max Klotz, president of Brooklyn Insurance Brokers Assn., said the average broker is helpless in the face of varying practices of companies. For instance, a risk is lost because one insurer includes the young driver rate surcharge and another does not. Companies, he argued, should be more consistent in their underwriting practices. He wanted to know where he could complain to the companies about these practices when they are encountered.

Company laxity in driver classification and unscrupulous competitive tactics by brokers were blamed by Herbert Pohn

of the Greater New York Insurance Brokers Assn. for some of the troubles. He said that a practice of "chiseling the first order" has developed. To pry a risk loose from a competitor a broker calls an insured who has been charged the rates for young driver coverage and tells him that he can write it at a lower rate. Then he takes the business and does it by leaving out the surcharge. Then, others find an insured in that situation and scare him with talk of his lack of coverage because the added rate hasn't been applied. They get the business on the basis of the insinuation that the other broker didn't know what he was doing. These tactics leave the fair dealing broker in the middle, Mr. Pohn lamented.

He urged the managers to encourage their companies to adopt more rigid inspection rules in regard to automobile rating classifications. This, he said, would bring in more money and help reduce the loss ratio.

Max Rakofsky of Independent Brokers Assn. of Brooklyn suggested that the business immediately support the compulsory motor vehicle inspection law. The heads of the brokers' organizations in other boroughs repeated the pleas for more cooperation between producers and companies.

Dean Parker, Travelers manager, responding briefly to the comments said that the companies are aware of the seriousness of the problem and are determined to keep it from getting any worse. Meanwhile, he said they are doing all they can to keep the market open and trying to improve it. He said that an editorial in the New York Times saying that it is almost impossible to get automobile insurance in some areas of New York City is without foundation.

## Longshoremen's Decision Is Won by the Employer

The U. S. Supreme Court has decided favorably to the employer and insurer a question involving the application of the statute of limitations provision of the longshoremen's and harbor-workers compensation act, the case being Warren H. Pillsbury and Albert J. Cyr, deputy commissioners for the 13th compensation district, etc., vs. United Engineering Co., Fireman's Fund, et al.

The statute provides that the right to compensation for disability shall be barred unless a claim therefor is filed within one year after the injury. The claims involved here were filed from 18 to 24 months from the dates the employees were injured but the deputy commissioner held that the claims were nevertheless timely since they had been filed within one year after the claimants had become disabled because of their injuries.

The petitioners contended that the limitation should not be made to run until the injury becomes compensable, that is after seven days' disability. Nevertheless, the Supreme Court said the right to recover for disability is one thing and the right to file a claim is another. There is nothing to prohibit the filing of a claim before the accrual

of seven days' disability. Each of the claimants was immediately aware of his injury, received medical treatment and suffered continuous pain. "We are not here dealing with latent injury or an occupational disease," the court said.

Congress, the court declared, defined both "disability" and "injury" in the act and its awareness of the difference is apparent throughout.

Congress used the two words in the same sentence, making each word applicable to a different thing and it did not intend carefully distinguished and separately defined words to mean the same thing. Congress meant what it said when it limited recovery to one year from date of injury and "injury" does not mean "disability."

## F. & C. Man Gives Tips to Contractors on Coverage

Members of Westchester (N. Y.) County Building & Trades Employers Assn. were advised not to rely solely upon the liability limits required of them by contract but to take out additional coverage, in a talk by John B. Walker, assistant manager of the survey department of Fidelity & Casualty. Higher amounts are essential because of inflation and high jury awards. Contractors need higher limits on property damage as well as bodily injury, he said. He urged having the broadest possible coverage to be sure that newly added business activities of the contractor will be covered.

He urged contractors to place their problems in the hands of a competent agent or broker. He suggested that contractors get a commitment on premium quotations in writing to avoid misunderstanding. He reminded them that they are subject to audits under the policy and that they ought not be deceived by low advance premium requirements.

## Experience of Automobile Assigned Risk Plans Nation-Wide Summarized

National Bureau of Casualty Underwriters has prepared a compilation of the experience on automobile assigned risks for all states for which experience is available. There are 39 such states. Although in 1951 assigned risk plans were in operation in 46 states, not all of the plans have been in effect long enough for developed experience to be reported.

In view of the questions so frequently asked concerning the underwriting results on assigned risks, the information disclosed by this compilation should be of general interest. The results are summarized herewith.

### Experience of Automobile Assigned Risk Plans (All Companies Combined)

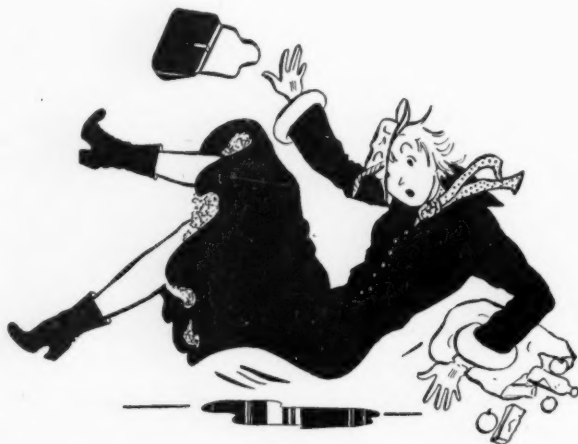
State	Policy Year	Bodily Injury			Property Damage		
		Earned Prem.	Inc. Losses*	Loss Ratio	Earned Prem.	Inc. Losses*	Loss Ratio
Ala.	1948-1949	\$ 28,191	\$ 7,511	.266	\$ 7,002	\$ 3,106	.444
Cal.	1942-1949	1,589,597	871,214	.548	1,029,301	487,646	.474
Colo.	1946-1949	47,682	8,733	.183	37,783	20,509	.543
Conn.	1941-1949	536,038	536,167	1.000	187,130	142,679	.762
Del.	1947-1949	12,083	11,677	.966	6,567	48,800	.743
Fla.	1947-1949	256,332	111,677	.435	116,482	49,970	.429
Ga.	1948-1949	31,034	8,849	.285	10,558	5,725	.542
Ida.	1948-1949	10,937	7,034	.643	6,958	2,714	.390
Ill.	1941-1949	458,953	377,452	.822	279,132	173,156	.620
Ind.	1946-1949	87,720	42,287	.493	58,511	45,270	.774
Iowa	1948-1949	58,600	36,003	.614	51,077	37,933	.743
Ky.	1947-1949	102,813	80,289	.781	64,397	43,852	.681
La.	1948-1949	74,631	35,745	.479	26,801	16,431	.613
Me.	1941-1949	134,297	87,700	.653	72,105	45,815	.635
Mich.	1946-1949	525,184	265,428	.505	314,295	217,318	.691
Minn.	1943-1949	997,085	810,977	.813	576,315	315,118	.547
Miss.	1948-1949	85,362	54,331	.636	24,545	14,665	.600
Mo.	1949	56,660	25,339	.447	21,132	10,761	.509
Nebr.	1946-1949	86,954	48,504	.558	54,726	28,142	.514
N. H.	1938-1949	279,051	214,903	.770	115,891	69,797	.602
N. J.	1941-1949	1,092,422	601,795	.551	396,034	245,899	.621
N. M.	1948-1949	12,035	1,466	.122	6,353	1,330	.209
N. Y.	1941-1949	4,152,991	3,405,862	.820	1,616,505	1,249,354	.773
N. D.	1947-1949	57,968	41,081	.709	30,127	13,296	.441
Ohio	1947-1949	270,098	129,223	.478	189,119	113,006	.598
Ore.	1946-1949	641,471	431,046	.672	423,067	245,967	.581
Pa.	1947-1949	317,936	124,644	.392	169,002	89,643	.530
R. I.	1947-1949	73,760	14,677	.199	25,656	10,220	.398
S. C.	1948-1949	1,353	.....	.....	561	216	.385
S. D.	1949	800	.....	.....	342	56	.164
Tenn.	1948-1949	111,901	51,773	.463	40,726	20,442	.502
Utah	1946-1949	14,954	2,527	.169	9,704	2,966	.306
Vt.	1941-1949	96,456	60,207	.624	53,724	28,904	.538
Va.	1941-1949	846,730	689,756	.815	316,339	239,378	.662
Wash.	1941-1949	541,314	307,838	.569	350,629	190,299	.543
W. Va.	1947-1949	261,818	108,087	.413	106,234	29,541	.278
Wis.	1946-1949	618,942	527,788	.853	298,800	202,246	.677
Wyo.	1948-1949	8,871	1,333	.150	6,224	2,317	.372
TOTAL	1938-1949	\$14,580,995	\$10,130,246	.695	\$7,144,868	\$4,417,487	.618
Mass.	1940	319,027	439,133	1.376	.....	.....	.....
	1941	382,548	580,559	1.518	.....	.....	.....
	1947**	388,000	537,984	1.386	.....	.....	.....
	1948**	618,201	854,209	1.382	.....	.....	.....
	1949**	400,645	624,132	1.558	.....	.....	.....

Total† 2,108,421 3,036,017 1.440

\*Including allocated claim adjustment expenses (excluding allocated claim adjustment expenses for Massachusetts).

\*\*Private passenger cars only.

†Data for policy years 1942 to 1946 are not available.



## THE "Fall" SEASON is all winter long!

Right outside the front door of almost every city or suburban home is something that becomes a dangerous liability hazard in cold weather . . . the sidewalk. In most states, pedestrian falls on icy or snow covered pavements will cause an epidemic of damage suits this winter. It happens every year, frequently to families who are uninsured. At only \$13.50 a year, will a \$50,000 Comprehensive Personal Liability Policy protect every one of your clients—not only during the "fall" season—but the year 'round?

**American Casualty Company**  
READING, PENNSYLVANIA

OUR FIFTIETH YEAR

## Plans Arbitration

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## Plans for Big Expansion of Inter-Company Arbitration Facilities in Prospect

Operations of the nationwide inter-company arbitration agreement as supervised by the combined claims committee have been successful enough to warrant an extensive expansion program that may almost double the number of signatory companies, William S. Deak, vice-president of American Casualty, told Atlanta Claims Assn. in his talk at the annual banquet of that organization last week. The meeting was attended by more than 500 association members, attorneys and company executives from six southeastern states.

The inter-company arbitration agreement now involves more than 150 companies that are members of National Assn. of Mutual Casualty Companies or Assn. of Casualty & Surety Companies. The agreement covers subrogation questions and policy interpretation and coverage problems on automobile physical and property damage and plate glass. There are 56 cities nationally available for arbitration conferences, and it is planned to arrange to add 25 more.

### Would Involve \$700 Million Premiums

The stock companies now signatories to the agreement are writing \$272 million worth of physical damage and \$217 million worth of property damage, a total premium volume of \$489 million in these lines, and there is an equally substantial volume written by the mutual companies. The expansion program of the combined claims committee calls for invitation to a number of companies not members of either the mutual or casualty company associations. These companies write at least \$500,000 in physical and property damage coverage each. Approximately 130 companies will be involved with total premiums of \$144 million physical damage and \$75 million property damage. If all of these companies become signatory to the arbitration agreement, the premium volume in these two lines would be over \$700 million, and where there are now 5½ million policyholders involved, the new total would be about 7½ million.

The arbitration agreement calls upon the signatory companies to forego litigation between themselves and in its place submit to arbitration. The companies are only definitely required to submit matters to arbitration involving physical damage—property damage or plate glass claims not in excess of \$1,500. However, the companies are free to take advantage of the possibilities of friendly arbitration in a type or nature of claim with no dollar limitation.

### Could End All Subrogation

"It is conceivable that under the provisions of this second article all inter-company disputes can be done away with," Mr. Deak declared. This second part of the agreement not only applies to physical damage coverages, but to every other type of casualty insurance. There has, however, been only slight use made of this part of the agreement.

The arbitration panels consist of salaried company employees who are chosen for definite lengths of service. Mr. Deak declared that the arbitration system is a potential way of saving thousands of premium dollars by elimination of the great part of witness fees, expert's charges, insured's traveling expenses and other costs incidental to the preparation and trial of subrogation cases. Incidentally, subrogation cases may be presented to the arbitration panel by staff claims personnel of the companies, involved as part of their regular claims adjustment function.

The insured gets the benefit of prompt payment, especially in those automobile cases where there is a stand-off between the collision and the liability insurers. About twice as many arbitration cases were handled in 1951 as in 1950, Mr. Deak said. If 25 more cities have the arbitration plan made available to them, a substantial number of cases will be determined by arbitration rather than by

litigation. Another point to be considered, he said, is that of the number of cases accepted for arbitration, about three-quarters are settled between the involved companies without the necessity of an arbitration hearing. This indicates that these cases were settled after the companies involved took a second look into the claim file. Roughly \$900,000 worth of cases were disposed of by arbitration in 1950.

If these cases cost the companies at

least one-third for litigation and other expenses, arbitration by company representatives thus saved approximately \$300,000, Mr. Deak pointed out. Savings of this nature, plus the early determination of subrogation recovery may have a significant effect on the loss portion of the premium dollar. "We may look confidently into the future and be certain that before long practically all inter-company controversies will be settled in this manner," Mr. Deak stated.

### Capital Is Increased

The capital of International Service Ins. Co. of Fort Worth has been increased from \$300,000 to \$450,000

through sale of 4% cumulative preferred stock at the par value of \$20. Also the stockholders contributed \$100,000 to surplus. The par value of the common stock was reduced from \$100 to \$20 and each stockholder got five new shares for each old share.

### New Agency Partners

Two of the associates of the Hall & Kennedy agency of Jackson, Mich., have been made partners in the agency, and the partnership now consists of Robert L. Kennedy, Hall Blanchard, Charles G. Donahue and Eldred Kennedy. The name of the agency will remain as Hall & Kennedy.

AN ACTUAL CASE FROM THE FILES OF U.S.F. & G.

**U.S.F. & G. AGENTS**  
This series of case-history advertisements, appearing in TIME, BUSINESS WEEK, NEWSWEEK, NATION'S BUSINESS and WALL STREET JOURNAL, is designed to help increase your business.

Fire Damage \$4329.  
Insurance 1000  
Owner's Loss \$3329.

## The "Penny-wise" Homeowner who wouldn't listen

In 1947 a homeowner purchased a five year fire insurance policy in the amount of \$1,000 on his \$8,000 home. He said he had never had a fire . . . and never would have!

The Agent urged him to take a policy more in line with the actual replacement value of his property. But the owner wouldn't LISTEN! He preferred to gamble with fire.

Four years later fire broke out, causing damage estimated at \$4,329. U.S.F. & G. promptly paid the full amount of the policy . . . but the owner was insured for only \$1,000. The "penny-wise" homeowner had saved a few pennies on premiums but lost \$3,329.

Have you adequate insurance for today's needs?



Your local agent is constantly ready to serve you. Consult him as you would your doctor or lawyer. For the name of your nearest U. S. F. & G. agent, or for claim service in an emergency, call Western Union by number and ask for Operator 25.

# U.S.F. & G.

United States Fidelity & Guaranty Company, Baltimore 3, Md.  
Fidelity Insurance Company of Canada, Toronto

CASUALTY  
FIDELITY-  
SURETY  
FIRE

## CHANGES IN CASUALTY FIELD

### American Title Advances W. E. Hankins to Secretary

American Title group of Miami has promoted Wood E. Hankins to secretary. He will be in charge of the claims department and also will serve as claims manager of Baloise Fire, the Swiss organization which recently established U. S. headquarters with the American Title group.

Mr. Hankins joined the company in 1948. Before that time he was with Western Adjustment. He started with Western in 1937 at Springfield, Ill., and in 1944 was transferred to Lima, O.

Edward H. Russell has joined the company as casualty underwriting supervisor. He was previously casualty underwriter for Employers Mutual Liability.



W. E. Hankins

### American Names New Field Men at Detroit, Milwaukee

James E. Pogue has been transferred by American from the western department office at Rockford to Detroit, and has been appointed a special agent. He will assist State Agent L. J. McDonnell in servicing Wayne county. Paul R. Dawson has been appointed safety engineer-inspector there to assist in servicing casualty business.

Mr. Pogue, a navy veteran, attended University of Minnesota. He is a graduate of the multiple line training school at the home office, and has for some

time worked in the casualty department. In his new capacity he will work on a multiple line basis, but with special emphasis on casualty.

Mr. Dawson, also a navy veteran, attended University of Michigan and has a substantial background of experience in safety engineering and inspection.

William B. Powers, likewise a navy veteran, is appointed as special agent in Milwaukee county, Wis. He also will work on a full multiple line basis, but with emphasis on casualty lines.

### Sullivan Chicago Manager of Hartford Steam Boiler

Walter R. Sullivan, St. Louis manager of Hartford Steam Boiler, has been appointed as manager at Chicago. He fills the vacancy created by the recent death of Eugene H. Hurst.

Mr. Sullivan joined the company in 1943 as special agent at Detroit. He had attended Johns Hopkins and had several years of teaching experience. He was transferred to Cleveland in 1946 and was appointed manager at Minneapolis in 1947. He became manager at St. Louis in 1949.

Robert W. LeMeilleur, assistant manager at New York, succeeds Mr. Sullivan as manager at St. Louis. He was in sales administration work in the manufacturing field before joining Hartford Steam Boiler in 1939 as special agent at New Orleans. Later that year he was transferred to St. Louis and was assigned to Atlanta as special agent in 1948. He was named assistant manager at New York in 1950.

### Four Allstate Promotions

Allstate has named Paul W. Briney as personnel director, Archie R. Boe budget director, and William F. Rupp

general attorney.

Mr. Briney joined Allstate in 1948 as personnel manager at New York. He has been personnel manager for the past year.

Mr. Rupp, a graduate of DePaul University law school, practiced law three years before joining Allstate in 1935. He has been assistant general counsel since 1945.

Mr. Boe went with Allstate in 1941. He was appointed assistant budget director in 1946 and has been budget manager since 1949.

### New Amsterdam Names Olson Cleveland Manager

New Amsterdam Casualty has appointed Vernon H. Olson as resident manager of the Ohio department at Cleveland. He has been assistant manager at Pittsburgh.

Mr. Olson graduated from the University of Minnesota and is a past president of Casualty Assn. of Pittsburgh.

### Employers Group Appoints Trout Michigan Manager

Paul J. Trout has been appointed Michigan manager of the Employers group. He succeeds Elwin C. Greer, who is retiring.

Mr. Trout has been assistant resident manager in Michigan since 1943. Before then he was in charge of production for Michigan territory. He first went with Employers in 1936 as a special agent.

### Park to Marbury Agency

William H. Park, Jr., has joined the William A. Marbury & Co. general agency of Ruston, La., as supervising safety engineer. Mr. Park graduated from Alabama Polytechnic Institute and has served as a safety engineer for 3½ years. He was in the army air force during the war.

### Fisher Claims Chief

John Tabb Fisher has been appointed superintendent of the indemnity claims division of Fireman's Fund in the western department. He has been engaged in claims supervisory work throughout the country. He attended Northwestern University and Chicago Kent College of Law.

### Patrick Named at Atlanta

Joel G. Patrick, Jr., has been appointed special agent at Atlanta for American Surety.

### Matteson to South Bend

W. E. Matteson has been transferred by Travelers from Milwaukee to South Bend to direct the underwriting of casualty lines for northern Indiana. He replaces S. G. Borstad, who had held the position for seven years and who has now been transferred to Omaha. Mr. Matteson has had more than 20 years' experience.

### Forms New Unit at Pittsburgh

Liberty Mutual has carved out a new geographical division to be known as the central and with headquarters at Pittsburgh. It will take in western New York and western Pennsylvania regions. Winston Mergott, who was formerly Pittsburgh regional manager, heads the new division. Administrative assistant there is Edward H. Turner and claims manager, Kearney W. Chrissman.

Robert U. Redpath, Jr., prominent life insurance man of New York who is a life and qualifying member of Million Dollar Round Table of National Assn. of Life Underwriters, has been elected a director of Ohio Casualty to take the place caused by the death of Ernst M. Ruder. He is a nephew of President Howard Sloneker of Ohio Casualty. He is a special agent for Connecticut Mutual Life.

## ACCIDENT

### H. & A. Conference to Hold Regional at Indianapolis

H. & A. Underwriters Conference will hold a regional meeting at Indianapolis Jan. 28. Robert R. Neal, North American Accident, chairman of the executive committee, will review the conference program. C. O. Pauley, managing director, will speak on the new standard provisions law and tell of the Harold R. Gordon Memorial Award competition, and Robert Rydman, assistant general counsel, will discuss insurance department activities.

Talks that are expected to be of especial interest are those by Harold A. Moore, Hoosier Casualty, on the public relations aspect of claim handling; W. G. Alpaugh, Jr., Inter-Ocean, on agency developments in A. & H. insurance, and Roy A. MacDonald, assistant conference director, on special policies (polio, hunters, fishermen, sports).

### George Miller Named A. & H. Chief of American Casualty

George H. Miller has been promoted by American Casualty to accident and health production manager. He succeeds Harry A. Anderson, who has moved to California. Mr. Miller has been superintendent of the special risks division, which he organized in 1945 and which now writes a volume in excess of \$1½ million annually. Mr. Miller has been in the A. & H. field since 1936, joining American Casualty in 1942.

William McMahon, who has been Mr. Miller's first assistant in the special risks division, has been promoted to superintendent of that division. He has been with American Casualty for three years.

### Safe Driving Campaign New Cincinnati Assn. Project

Cincinnati Assn. of A. & H. Underwriters at its January meeting voted to sponsor a "25-35 Club" safe driving campaign in the greater Cincinnati area during 1952. The goal is 100,000 club members to be secured through pledges obtained from the public by association members.

Each person joining the club will sign a pledge card which agrees to comply with city speed limits of 25 and 35 miles per hour and lists the association as sponsor. Members also will receive

**casualty, fire  
automobile and surety  
reinsurance**

**catastrophe  
excess of loss  
treaty and specific**

### Specialty covers including:

steam boiler excess  
fleets, motor cargo  
aggregate excess

**EXCESS UNDERWRITERS inc.**

90 John St., New York

Chicago office Insurance Exchange Bldg.

San Francisco office 454 Montgomery St.

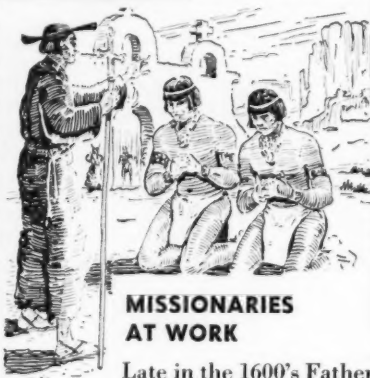
### HIGH SPOTS IN HISTORY

### 28: ARIZONA



### FIRST INDIAN SETTLEMENT

Back in 1200 the Hopi Indians established Oraibi, which is now the oldest community in the country, inhabited for all these years.



### MISSIONARIES AT WORK

Late in the 1600's Father Kino, a Jesuit missionary, helped the Indians raise cattle, horses, sheep and other farm products.

### ALSO A HIGH SPOT . . .

. . . in any insurance agent's career is when he joins Hawkeye-Security and Industrial's great team. He knows that these two companies are working constantly to build more sales for him. Prompt, equitable settlements, plus skilled field representatives to work closely with him, help build sales. That's why the trend is to Hawkeye-Security & Industrial.

**HAWKEYE-SECURITY INSURANCE CO.**

**INDUSTRIAL INSURANCE CO.**

Des Moines, Iowa



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stickers to attach to the automobile dashboard. Efforts of members in obtaining the pledges will provide opportunities and reasons for making many new contacts, aside from accomplishing a public relations job, it is felt.

The program will be conducted in cooperation with the traffic division of the Cincinnati police department and the Greater Cincinnati safety council. Considerable publicity is expected from the local press.

As part of the program of presenting the plan at the meeting, the police department exhibited two safety films—"Speed," produced for Lumbermens Mutual Casualty, and "Then There Were Four," produced for the Socony-Vacuum Oil Co. Kenneth Miller, executive director of the Greater Cincinnati safety council, explained the city's safety campaign.

L. J. Erlsten, Hoosier Casualty, Canton, president of the Ohio association, discussed plans for the annual convention of the state group to be held at Cincinnati, April 24-25. William A. Case, Inter-Ocean, Cincinnati, is convention chairman.

### Carey and Anderson A. & H. Supervisors for Occidental

James A. Carey and Harry A. Anderson have been appointed accident and sickness home office supervisors for Occidental Life of California.

Mr. Carey joined Occidental in 1949 after extensive experience in hospital association work, as an A. & H. claims adjuster. He moved to the sales division in 1950, and since then has traveled extensively in the field.

Mr. Anderson was formerly director of A. & H. production for American Casualty and also served as superintendent of its group division. He has been in the insurance business since 1944. Earlier he was with Continental Casualty as field supervisor and association group manager.

### Agents' Pictures to Be Used on Billboard Ads

Mutual Benefit H. & A. has started experimenting with billboard advertising that features a large photograph of the company's local manager or district agent and incorporates at the bottom in large letters the man's name and telephone number. Three thousand of these billboard posters will be used this year.

### Favor School at U. of Texas

San Antonio A. & H. Underwriters Assn. heard A. W. Cantwell, vice-president of American Hospital & Life, summarize the values of the pilot school held at the University of Illinois. The establishment of such a school at University of Texas was endorsed.

O. D. Harlan, regional director of the International association, asked for views on advertising in the association magazine. W. D. Bacon, second vice-president of the Texas association, spoke of the need to build membership to secure a hearing on important legislative matters.

### Revamp Union Casualty

Union Casualty of New York City has changed its name to Union Casualty & Life. It has been writing mainly group business on union groups but it is now branching out into individual policies. It has just moved its home office from New York City to Mt. Vernon, N. Y.

### Hear High School Principal

Speakers at the monthly luncheon meeting of A. & H. Underwriters Assn. of Milwaukee was the Rev. S. B. Witkowiak, principal of St. Catharine's high school, Racine, Wis., on "Communism and Its Philosophies."

Clifford C. Raisbeck, Washington National, president, announced a membership drive would be undertaken

shortly by a committee with Thomas Calahan, Time, vice-president and International director, as chairman. Albert L. Anderson, Massachusetts Protective, president of the Wisconsin association, announced that the annual meeting of the state association has been tentatively set for Jan. 26.

### Consolidates Departments

In a revamping of its operations, North American Life & Casualty has consolidated several home office departments into the office service division. W. E. Sather, assistant vice-president, has been placed in charge of the new division.

### Plan N. Y. 1952 Program

Plans for 1952 were discussed at the first meeting of the new executive committee of A. & H. Club of New York. The new officers will be installed formally at the Jan. 24 meeting by Rexford Crewe, Hartford Accident, who also will give a talk on the background and activities of the Insurance Institute.

### Hear Mueller at Chicago

Some comments on England's socialized medicine and an interesting review of a trip to Europe were given by E. H. Mueller, general agent for Pacific Mutual Life and Provident Life & Accident

at Milwaukee, at a luncheon meeting Tuesday of Chicago A. & H. Assn.

It was Mr. Mueller's contention that most Britons are either decidedly for or against socialized medicine. He estimated that only 40% favor it and those are persons of lesser economic status. This type of medicine, he said, is leading to a lack of interest on the part of physicians as well as a lessening of personal interest in the patient.

A large contingent from the Milwaukee association, led by President C. C. Raisbeck, Washington National, attended. Carl A. Ernst, North American Life & Casualty, St. Paul, president of the International association, spoke briefly.

### Blue Cross Plans Capitalize on WSB Group Criteria

The various Blue Cross plans have been making capital both in their sales arguments and in their advertising of the fact that the WSB group regulations were arranged to follow Blue Cross patterns. For example, in Indianapolis, Blue Cross-Blue Shield has sent out direct mail to employers containing, among other material, the following headline and text:

"Blue Cross-Blue Shield Plans Benefit by WSB Decision. WSB has adopted the Blue Cross-Blue Shield plans of

the country as a standard by which any health care proposals are to be judged. With all the evidence available to WSB, it was obvious to the board that only the voluntary, non-profit Blue Cross-Blue Shield plans provide the full solution to hospital, surgical and medical problems."

### Hear LeVita at Baltimore

M. H. LeVita, actuary of the Maryland department, was speaker at the Jan. 9 meeting of Baltimore Assn. of A. & H. Underwriters. Mr. LeVita, talking on "Selling A. & H. Insurance—and the Public," emphasized the responsibilities of the agent, commenting that it is up to the agent to know his business, know his market, know how to sell, know how to service, and know how to handle claims.

Connecticut General Life has joined H. & A. Underwriters Conference. There are now 168 company members.

### Mutual Banquet at Columbus

Judge James G. Stewart of the Ohio supreme court has been selected as the speaker for the banquet to be given at Columbus March 25 in connection with the observance of the 200th anniversary of mutual insurance in the U. S.

## FIRST ON YOUR LIST . . .

### 1952 RESOLUTIONS

1. Sell More A & H!
2. Sell More Provident A & H Insurance!

The years change but the need for Income Protection goes on and on. In fact more protection is needed as inflation pushes living costs and salaries higher and higher.

With Provident's salable line of A & H insurance plans there is a policy to meet the need of every prospect. Write today for details which will help you SELL MORE A & H in 1952.

Brokerage Business Invited



**PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY**

CHATTANOOGA

*protecting provident people since 1887*

## Ohio Court Rules Out Consortium

Refusing to follow the District of Columbia appeals court in *Hitafer vs. Argonne Co.*, the Ohio supreme court has ruled that no action for loss of consortium lies against an Ohio employer who has complied with the Ohio workmen's compensation act. The wife's suit was based upon her husband's contraction of silicosis in the course of his employment and the employer's alleged intentional and malicious advising of the employee that he did not have silicosis.

The case was *Bevis vs. Armco Steel Corp.*, 20 LW 2275.

The Ohio constitution, according to the opinion, was amended to provide that workmen's compensation shall be in lieu of all other rights to compensation or damages for death, injuries, or occupational disease, and that any employer paying the premium for the compensation provided shall not be liable in damages. Following this amendment, a statute was enacted providing that the satisfaction of the workmen's compensation provisions immunize employers from damage suits for any injury, disease, or bodily condition whether or not such injury is compensable under the W.C. act. To permit the wife to recover would, the court concludes, disregard the statute.

In discussing the *Hitafer* decision, the Ohio court points out that the court there recognized that the "plain and literal language" of the statutory provisions involved required a different de-

cision from the one rendered. In addition, it says that shortly before the *Hitafer* decision, the second circuit court of appeals decided *American Mutual Liability vs. Matthews*, 182 F. 2d 322, 18 LW 2547, which appears to be "entirely inconsistent" with *Hitafer*.

### Find Way to Get Cover

DES MOINES—The Iowa liquor control commission has settled a controversy on how to pay for liability insurance on its motor vehicles used to haul liquor stocks to state stores.

The state auditor had criticized a system under which the commission took out a policy and paid the premiums indirectly by adding the cost to drivers' salaries and then deducting it. The drivers are employees of the commission. The auditor's office maintained this method violated the state's rule against carrying of insurance.

Under the new system approved by both the state auditor and attorney general, the same method of paying premiums will be followed but the insurance will be in the name of the drivers rather than that of the commission.

### Auto Adjusters Outing Set

The annual golf tournament and outing of Automobile General Adjusters Assn. has been set for Feb. 11-12 at Sonoma Mission Inn, north of San Francisco. About 200 attend this affair, including a number of automobile repair shop operators and company underwriters. Maynard Kimmey, Crum & Forster, is in charge of arrangements.

## Trailer Exclusion Saves Insurer Big P.D.L. Loss

New Amsterdam Casualty, under a decision of the U. S. 4th court of appeals, has been relieved of liability under a third party automobile liability contract on the ground that the insured's car at the time of the accident was towing a home trailer which was an excluded risk. The case is *Pothier vs. New Amsterdam Casualty*, 37 CCH (Automobile) 741.

The insured was Raymond Lewandowski of New York. The accident occurred May 9, 1950 near Raleigh, N. C. Lewandowski's car was towing a two-wheel metal trailer about 14 feet in length that was completely enclosed, had a small screened window equipped with Venetian blinds and an outer door and screen door in its side. Inside there was a bunk, but no facilities for cooking or eating. It was described on the 1950 Florida registration card as a "house" type body.

The Pothier car was towing a much larger and more elaborate trailer. This was damaged beyond repair and the Pothier car was damaged to the tune of \$400.

### Recovery Is Not Realized

Pothier recovered a judgment of \$4,491 against Lewandowski, but no recovery was realized and Pothier sued New Amsterdam Casualty. The court said the Lewandowski vehicle was of sufficient size for living purposes; it was fully enclosed and equipped with a window protected by Venetian blinds and an entrance with an outer door and screen door in its side, obviously designed for the comfort of the occupants. At the time of the accident or shortly thereafter, it was occupied by a young woman and a baby. It was clearly a home trailer in the exclusion of the policy, the court said.

Pothier goes on to contend that New Amsterdam is estopped to question the coverage of the policy because of the actions of its adjuster who examined the damages to the Pothier car and trailer after being notified of the accident and secured estimates for its repairs from several garage men and assured Pothier's attorney that the policy covered the accident. It was testified that because of this statement the attorney desisted from filing legal proceedings for the attachment of the Lewandowski vehicles before they were taken out of the jurisdiction. It was shown that the question of coverage had been raised and discussed by the attorneys for both of those involved in the accident, and the policy had been produced and exhibited to Pothier's attorney who had an opportunity to read it before the insurer was notified and before the adjuster appeared. The written notice of the accident to New Amsterdam which was made shortly after the accident did not reveal the fact known to Pothier and his attorney that the Lewandowski car was towing a home trailer when the collision occurred and there was no evidence that this fact had been made known to the adjuster when he took the steps and made the statement referred to.

In any event, the court said under the North Carolina law, the coverage of a policy may not be extended by the acts of an agent of the insurance company who has no authority to execute a contract on its behalf. There is no evidence that the company held out the adjuster as having any authority to extend the coverage of the policy beyond its terms.

### Liberty Mutual Advertorial

Liberty Mutual is scheduled to appear in the February issue of the Atlantic Monthly with a six-page public interest advertisement entitled "Humanics," in which the company describes its program for controlling human and financial loss in industry.

The Atlantic public interest advertisement is a technique for communicating ideas in the field of public relations, and it was inaugurated with the December, 1951 issue. This is designed to give the intelligent, mature reader compelling facts about the way American business works. The treatment is called an "advertorial."

The first public interest advertiser was American Iron & Steel Institute, appearing in the December issue with a five-page factual story on "How Much Steel Is Enough?"

## Wheeler Retires, Gould N. Y. Department Casualty Head

NEW YORK—Charles A. Wheeler has retired as chief of the casualty bureau of the New York department and Superintendent Bohlinger has appointed William C. Gould, who has been deputy superintendent for the last year and a half, as chief of the bureau, with which is being combined the mutual and fraternal bureau.

This consolidation of bureaus, to be known as the casualty bureau, is the first step in the administrative reorganization of the department's New York City office. Under the new arrangement the fraternal benefit societies and assessment life companies will be placed under the direction of the life bureau, which is headed by Julius Sackman.

### Almost Half-Century

Mr. Wheeler retires after nearly half a century in the state's service. In 1904 he became a bookkeeper in the board of charities and was assigned to the state reformatory at Elmira. He joined the insurance department's statistical division at Albany three years later and in 1909 was appointed an examiner at New York City. He was assistant chief examiner of casualty companies prior to becoming chief of the casualty bureau in 1928. He is an associate of Casualty Actuarial Society, having been admitted without examination in 1929.

Mr. Gould, who has been with the department for more than 25 years, was chief of the mutual and fraternal bureau before becoming deputy. Earlier he was assistant chief of the casualty bureau.

Mr. Bohlinger explained that the reorganization is part of a long-considered plan to enable the department to better meet the problems posed by enactment of multiple line legislation and by changes which have taken place in the organization and conduct of the business. The net effect of this first step, he said, will be to unify the department's regulation of casualty insurance as written by stock and mutual insurers.

## Inspectors Have S. F. Rally

About 350 casualty company engineers, inspectors and representatives of California department of industrial relations attended the annual conference of California Certified Boiler & Elevator Inspectors at San Francisco this week.

L. M. Lewis, Lumbermen's Mutual Casualty, was general chairman; J. E. Barker, Hartford Steam Boiler, chairman of the program committee, and A. C. Lamb, Commercial Union, head of the finance committee. Among the principal speakers was G. C. Bonstelle, vice-president of Lumbermen's Mutual.

## Briard Leaves Natl. Council

Kenneth L. Briard, who has been with National Council on Compensation Insurance for about 3½ years as attorney, has resigned to return to the practice of law.

## Make Truck Cover Compulsory

A rule requiring all trucks to carry liability insurance at all times has been laid down by the Ohio public utilities commission as part of its regulation to stop truck overloading and "wildcat" trucking. Previously the law required insurance only while the trucks were leased to a carrier.

*Bituminous  
serves  
the Agent*

Specializing in  
workmen's compensation  
and all lines of liability coverage

**BITUMINOUS CASUALTY  
CORPORATION**

ROCK ISLAND



ILLINOIS

1886—OVER A HALF CENTURY OF SERVICE—1952

**The North American Accident Insurance Co.**

209 So. LaSalle St., Chicago, Illinois

We write every practical form of Life, Accident, Health, Hospitalization and Medical Expense Insurance.

District Managers and Representatives WANTED

Geo. F. Manzelmann, President

A GOOD YEAR TO CONNECT WITH A GOOD COMPANY

F. & C.  
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## F. & C. Wins Cal. Dispute Involving Binder

Fidelity & Casualty won a decision from U. S. 9th court of appeals in a dispute with an insured over the amount of premium due, with a question involving a binder featured. The case is California Motor Transport Co. et al vs. Fidelity & Casualty et al, 37 CCH (Automobile) 686.

Fidelity & Casualty on Aug. 25, 1945, issued its policy, commencing Sept. 1, for B.I. and P.D. with the rate being \$1.223 per \$100 of gross earnings. The broker was Bayly, Martin & Fay. At renewal time F. & C. did not immediately comply with the request of the broker to provide a new policy but on Aug. 27 1946, issued and delivered to Bayly, Martin & Fay a 60-day binder providing that if F. & C. accepts the risk the policy issued shall supersede this binder and the policy term shall begin on Sept. 1, 1946. If the risk is not accepted, the binder may run to expiration or F. & C. may cancel by mailing notice. A premium charge at the rate and in compliance with the rules of the manual rates in use by F. & C. when the binder becomes effective will be made for the time the binder is in effect if no policy in place thereof is issued and accepted.

About Oct. 1, 1946, F. & C. issued and delivered to Bayly two new policies, the rate being \$2.20 per \$100 of gross earnings. The insured was notified of this delivery immediately, but the insured permitted Bayly to retain the policies. Bayly, Martin & Fay complained to the insurer about the rates and tried unsuccessfully to persuade F. & C. to agree to a reduction but neither Bayly, Martin & Fay nor the insured rejected or refused to accept the new policies.

### Offers an Agreement

F. & C. delivered to Bayly, Martin & Fay with the new policies a proposed agreement which F. & C. had executed and which if the insured had executed would have modified the provisions of the policies so that the premium rate would have been subject to adjustment to conform to the loss experience. However, the insured never executed this, and it never became effective.

F. & C. did not at any time state that the new policies were not to be effective unless and until the insured executed this agreement. The proposed agreement was not mentioned in either of the new policies. The insured's failure to execute the agreement cannot, therefore, be regarded as a rejection of or refusal to accept the new policies.

On Dec. 19, 1946, F. & C. mailed to the insured notices stating that the new policies were canceled effective Jan. 21. Accordingly the new policies, if effective were in effect only from Sept. 1, 1946 to Jan. 21, 1947. For that period if the new policies were effective, premiums amounted to \$16,973.12. The insured paid F. & C. as premiums for that period sums aggregating \$9,131.13. F. & C. brought action to recover the balance.

### Contention Is Rejected

The higher court rejected the contention that the new policies did not become effective. If not effective, the new policies did not supersede the binder, the court said. If not superseded, the binder expired on Oct. 31, 1946. For the period from Oct. 31 to Jan. 21, 1947, the insured had no liability insurance except that provided by the new policies. Without such insurance they could not lawfully do business in California. However, the insured and F. & C. treated the new policies as being effective. Accordingly, the insured did business in California for the entire period, reported to F. & C. their gross earnings and paid premiums for that period of \$9,131.13. Also, insured reported to F. & C. all accidents that occurred and claims and

actions brought. F. & C. paid or settled all such claims or defended the actions and paid judgments. Hence, the insured cannot be heard to say that the new policies did not become effective.

The insured contended that it was led to believe that the premium rate specified in the 1945 policy was in effect for the period from Sept. 1, 1946 to Jan. 21, 1947. The evidence, according to the court, showed that the insured at all times during that period were well aware that the premium rate specified in the earlier policy was not in effect at any time after Sept. 1, 1946.

### Misrepresentations Alleged

The insured alleged in substance that Bayly, Martin & Fay made certain misrepresentations to them and failed and neglected to disclose to them certain facts which it should have disclosed, and that their liability, if any, to F. & C. resulted from such misrepresentation, failure and neglect. The insured, therefore, prayed that if adjudged liable to F. & C. in any sum, they be awarded judgment against Bayly, Martin & Fay in a like sum. The court, however, declared that these allegations were found to be untrue.

### J. E. Magnus Is Named

Joseph E. Magnus, who has been with the Kemper group 20 years, has been elected president of 20 North Wacker Corp. He succeeds James C. Thompson. The corporation operates the Kemper Insurance building at 20 North Wacker drive and the Opera House, which were purchased in 1948 by Lumbermens Mutual Casualty.

Mr. Magnus will continue as president of the central department of James S. Kemper & Co.

### '51 Writings Up 16.5%

Standard Accident reports that its net premium writings in 1951 were the largest in history. Net premiums written amounted to \$48,207,000, an increase of \$6,835,000, or 16.5%.

Automobile premiums at \$25,140,000 were up 18.5%; A. & H. and group, \$2,640,000, up 12%; general liability, \$5,189,000, increase 18.6%; compensation, \$8,808,000, increase 11.1%; burglary and glass, \$1,529,000, increase 8.3%; fidelity, \$1,182,000, increase 37.5%; surety, \$3,719,000, increase 15%.

Planet in 1951 wrote net premiums of \$2,940,000, an increase of 31.9%.

Pilot of Toronto wrote net premiums of \$2,130,000, increase 12.3%.

### Compulsory Auto Bill in Va.

RICHMOND—A bill providing for compulsory automobile insurance has been introduced in the Virginia legislature by Senator Palmer. It would require the owner of a motor vehicle to show evidence of having public liability and property damage insurance when he obtains his automobile license plates. Senator Palmer said the amount of the insurance required probably would be about \$500. The measure is similar to that now in force in Massachusetts.

A resolution introduced by Senator Palmer of Green Bay asked for a study of means of supplementing the financial responsibility law so that owners will have to carry the insurance even though they had not been involved in an accident, as now provided.

### Set Bond Producers Date

National Assn. of Surety Bond Producers will hold its annual meeting March 17-18 at the Blackstone hotel, Chicago. H. Phelps Smith of Nashville is president.

### To Hear Leslie, O'Connor

William Leslie, general manager of National Bureau of Casualty Underwriters, and Edward H. O'Connor, managing director of Insurance Economics Society, will be the headliners at a casualty seminar to be sponsored by Casualty Insurance Assn. of Washington at the University of Washington,

Seattle, March 24-25. About 225 are expected to attend.

Murray Alexander, Fireman's Fund, is in charge of arrangements, assisted by Donald F. Hayne of the university.

### N. J. Juvenile Gets \$80,000

An \$80,000 damage award was made by county courts in Elizabeth, N. J., to Charles Sabik, 14, for injuries suffered in an auto accident in which the door handle of a passing car caught his arm and dragged him about 85 feet. The uncontested award was believed to be the

largest ever given a juvenile in the court's history. The accident occurred five years ago. The testimony was that the arm was permanently injured. A \$5,000 award was made to the boy's father. The jury was out 75 minutes.

### D. C. Hearing Put Over

WASHINGTON — District court hearing here in the injunction suit of American Fidelity & Casualty to prevent enforcement of Superintendent Jordan's license revocation order, was again postponed, this time to January 18.

One of a series appearing in business and consumer magazines.

*In his attempt to protect himself from misfortune and the forces of evil, man has adopted many curious practices.*

*A Bit of their own — back!*

It was a popular belief among merchants long ago that to insure good fortune and avoid bad luck—a small amount from the day's first sale should be returned to the customer.

Today's businessman doesn't trust to luck when it comes to the safety of his business. He knows he must have sure safeguards!

Especially important, if records should be destroyed, is the replacement of valuable papers and the collection of accounts receivable. Without such replacement, few businesses can continue, even though well covered by fire insurance.

Our Valuable Papers and Accounts Receivable Policy pays for the replacement of all papers, films, documents and other business records and also pays all sums that cannot be collected from customers because the records have been destroyed. Either one or both of these protective features may be purchased.

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## Clerk Shortage Irritates Agent-Company Relations

NEW YORK — Home offices of fire and casualty companies here are experiencing a serious shortage of clerical personnel. The consequences also are being felt in the field. The shortage is particularly disturbing to agents and brokers who want faster and more accurate service. The companies aren't able to satisfy all the demands for service as fast as they'd like. They are not yet in as bad shape as during the war but the situation is definitely more serious than it was in 1947-49.

The quality of the work being turned out on the clerical level also is deteriorating. As a result, the tempers of producers and home office people are being frayed steadily, by matters neither can control.

Producers complain, for example, that they are getting back policies that are not typed up properly, with words and especially names of policyholders misspelled, incorrect addresses, premiums computed incorrectly, of long delays in the receipt of policies, incorrect installment charges, repeated errors on renewals, etc. The policyholders pass their complaints about these mistakes to the agents, who feel that they aren't to blame and that the home offices ought to know about it.

### Dissatisfied with Excuses

Adding to the dissatisfaction of the producers is a feeling that they continually get excuses from underwriters and claim men instead of action. They say they are told that "the file is lost," or "please call back in two weeks." When they call back it turns out that the girl got sick, or was on vacation, or that the department is behind in its work, and still the producer gets no action on his request. One broker asks: "How can so many things get lost?"

There is a shortage of clerical personnel, mainly young girls just out of high school, in all lines of business. This is at least partly due to the great decline in the birth rate during the depression. Many girls already employed are shifting to other businesses where salaries are higher, to defense industries, or to government jobs where clerical salaries often exceed those paid by private business. A girl who wants to find a job can get one almost anywhere.

### SALARY POSITION

There is a difference of opinion among personnel men as to whether insurance companies are paying clerks lower salaries than other businesses. Some also doubt whether a raise, say \$5 a week, in salary would accomplish very much. Some say many companies have revised their salary scales in the last few years and that they are not now behind other businesses, although at one time they were considerably lower.

In any event, insurance companies and banks are regarded by the public as lower payers than other businesses. Employment agency men observe that when a girl has a choice she will go somewhere else in many cases.

One official said his firm is now 9% below the authorized number of clerical personnel. This included some 35 typists and 52 file clerks.

It might be noted that insurance departments are requiring far more details about company operations than they did formerly, which creates more paper work at home offices.

Another factor cited as a reason for the decline in the quality of the work

output is the increased complexity caused by the merger of companies and branching into multiple line operation. This has led to a great deal of systematizing. It also has caused many changes, decentralization, and modified coding and rating methods that require more work and more involved handling.

The cost of commuting to New York from outlying areas has caused many young girls to seek employment in their home towns on Long Island, in New Jersey or in Westchester. Still some of them like the glamour of working in a downtown New York City office.

Partly because of this but also for other reasons, companies have begun to establish offices in outlying cities such as Hempstead, White Plains, or as Chubb & Son did, at Millburn, N. J. They draw on many local personnel to fill their needs.

The shortage of male personnel isn't anywhere near as troublesome. A company will put on a young man if it figures it can hold him about a year. One company lost 20 young men who normally would have stayed on the job this past fall when they went back to college with the idea of escaping the draft.

Companies could use more men with engineering backgrounds but they are in such critical need in defense industries that there is almost no chance of getting them. The salary that the company can pay a young engineer is usually way below what he can get elsewhere.

Every company could probably use a few good underwriters here or there but this has almost always been true.

The loss of young men to the armed services is definitely discounted as having had any effect on the personnel situation. The young men usually haven't been in consequential positions with companies.

There is perhaps a shortage of A. & H. men caused by the entry of so many companies into that field. Inland marine departments, which have expanded so much since the war, also need manpower.

### Women's Regional at Denver

A regional meeting of National Assn. of Insurance Women will be held at Denver March 21-23. Nellie Shelley is convention general chairman.

### Certiorari Writ Granted

WASHINGTON — The U. S. Supreme Court has granted certiorari writ in No. 450, United States vs. Atlantic Mutual.

### Change Canadian Deductible

TORONTO — The \$15 basic deductible clause for the personal property floater has been replaced by a \$25 clause by Canadian Inland Underwriters Conference. In British Columbia and the prairie provinces the deductible previously was applicable to burglary losses. That is no longer so.

### Bruce Howard to Excelsior

Excelsior has named Bruce R. Howard state agent in Ohio, with headquarters at 404 Oak street, Marion. He entered the business in 1919 with Royal at Chicago. In 1924 he joined Detroit National as special agent in Michigan. He joined Loyalty group in 1934 and three years later transferred to Toledo.

The Taylor-Reed & Co. agency of Wenatchee, Wash., has been purchased by the R. S. Meenach agency there.

### Charge Fraud in Delay in Consent to Kill Horse

U. S. district court in eastern Pennsylvania has refused to dismiss a complaint against London Lloyds charging fraud in a case involving a horse. The animal was insured for \$19,200 from July 27, 1949 to July 27, 1950. The policy contained a clause that no liability should attach to Lloyds in the event of slaughter of the animal unless slaughter was with the consent of Lloyds' veterinary. On July 3, 1950, the horse suffered an injury which the insured claimed was of such a nature as to require immediate destruction. Permission for this was asked of Lloyds' veterinary, and was not given. The insured alleged that withholding of consent was arbitrary, deliberate and with the full purpose of prolonging the life of the horse beyond the term of the policy, since the veterinary allegedly knew that the animal could not recover and should be destroyed.

Since this contention raised the question of fraud on the part of Lloyds, the court said the insured had set forth a claim on which relief could be granted. It added that Lloyds' contention that even if consent had been withheld arbitrarily the insured could not recover, was untenable.

### A. & H. Prospecting Outlined by North at Philadelphia

Through an intelligent concept of the service that can be rendered to the public through sales of sickness and accident insurance, prospecting will be reduced to a minimum, said John E. North, Prudential director of sickness and accident sales. In his address, "The True Approach to A. & H. Sales," he outlined the pre-requisites to A. & H. prospecting to 50 members of the Philadelphia Assn. of A. & H. Underwriters.

Human wants and basic desires are the beginning of all economic activity, he claimed. The agent should feel no hesitancy in appealing to man's greatest desire, the desire of economic self-preservation accomplished through the medium of A. & H. insurance.

"The only possible way to motivate the prospect to act is by keeping the 'want' satisfaction of your service before him constantly. Get him to buy what he wants," Mr. North declared, "and he will find some kind of justification for the action he has decided upon."

Mr. North emphasized that the agent's skill will be improved only if he keeps his attitude on a high, enthusiastic plane, and if he can maintain faith and confidence in himself.

O. A. Dole, with Hardware Mutuals for 20 years, has opened a local agency at Wauwatosa, Milwaukee suburb.



J. Frank Pugh, Jr., left, casualty manager, and Forrest W. Holly, fire manager, of the new Travelers branch opened at Birmingham, Ala.

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## DEATHS

(CONTINUED FROM PAGE 19)

He had fallen on the ice recently near his Evanston home and suffered a broken collarbone, an accident which resulted in the complications leading to his death. A son-in-law, E. E. Sanderson, is an executive of W. A. Alexander & Co. Mr. Corey had entered insurance after service with the Y.M.C.A. overseas during the first world war.

**KELSEY L. WALLING**, 90, publisher of Iowa Insurance Service Bureau from 1915 to 1937, died at Toledo, O. He had been in failing health for some time. Before joining Ohio Inspection Bureau in 1900, Mr. Walling had been with various sprinkler companies at Philadelphia, Chicago and Atlanta, and also with New England Factory Mutuals at Chicago as an inspector and solicitor. For several years he was superintendent of the Ohio bureau's Toledo branch. From 1912 to 1915 he was vice-president of the Brooks-Wilbur-Parson agency at Cleveland. He was a life member of Fire Underwriters Assn. of the Northwest.

**RUSH S. DRAKE**, 68, local agent at Lake City, Wash., died at Northgate hospital there following an illness of about a year. He had long insurance experience, including service with United Pacific, General of Seattle and the C. B. McMillan general agency of Seattle, prior to establishing his own agency in 1940. The business will be continued by Cornelius J. Jensen, a partner in the agency.

**ALFRED J. LOWE**, 74, with the Richard L. Wood & Co. agency at Buffalo for 45 years, died there. He was a former football coach and well known as a golfer.

**GEORGE W. CARMACK**, 78, retired local agent at Cookeville, Tenn., and former United States commissioner, died following a long illness.

**CARL W. KIRKPATRICK**, 63, veteran local agent at Cedar Falls, Ia., was found dead in the attic of the building where his agency was located. He had been in the insurance business at Waterloo and Cedar Falls since shortly after the first world war.

**IRVIN H. BAILEY**, 45, a member of the agency firm of Perry & Savage, San Antonio, died there. Before going to San Antonio he was with Travelers.

**ROBERT J. WEST**, 86, who operated an agency at Deckerville, Mich., for more than 50 years, retiring only last fall, died there. He had turned over his business to the James Powley agency in September. Mr. West had been in failing health for some time but had been critically ill for only a few days.

An attorney and community leader, he had held several public offices, including postmaster and prosecutor for three terms. A son, K. R. West, who is managing editor of the State Journal at Lansing, has been correspondent of The National Underwriter there for many years.

**CHARLES M. GLAZIER**, 91, Hartford local agent, one of the oldest active insurance men there, died. He was active in insurance until the day he died.

### Mainland to American

Kenneth S. Mainland has been appointed assistant superintendent of the loss department in the Chicago service office of American. He graduated at University of Wisconsin in 1928 and got his law degree at College of Law in Chicago in 1937. He has been in claim work for the past 15 years, and from 1940 to 1942 was an adjuster for Bankers Indemnity at Chicago. He has recently been claims manager at Memphis for Fidelity & Casualty.

### Ind. Companies Featured

The development of Indiana domestic insurance companies to the point where "Hoosier firms are coming up fast on the inside rail to take a challenging position in the race for America's insurance business" was given by the Indianapolis "Star" in its Sunday supplement of Dec. 23.

Indiana is 10th in number of domestic companies with 179, the article states, and 81 of those companies (excluding the farm mutuals) have assets totaling more than \$1 billion. The story traces the history of insurance companies in the state, taking especial note of the charter companies.

### Industrial Appraisal Expands

Industrial Appraisal company of Pittsburgh now has district representatives

stationed at offices at Chicago and Milwaukee and is entering the middlewestern field aggressively. Chicago representative is Edward E. Tanner, who formerly operated Surety Appraisers with headquarters in the Insurance Exchange building. Industrial Appraisal at Chicago is located at One North La Salle street. Milwaukee representative with office at 312 East Wisconsin avenue is A. H. Steindel. He was formerly with Industrial at Buffalo.

### Noronic Owners Offer \$2,150,000 in Settlement

(CONTINUED FROM PAGE 1)

which went off like a cannon when air reached it. Information on this reached Mr. Davies last June. At the same time he filed claims on wharfinger legal liability. Canada Steamship Lines owned the wharf at which the Noronic was docked when the disaster occurred. He alleged in this action that the watchman had not been near the Noronic for 1½ hours prior to the fire and did not go to the boat until he heard the commotion that occurred when the fire was discovered. There is no limitation of liability for the operator of a wharf to invoke.

About 125 insurance companies are interested in the subrogation claims.

The offer of settlement was made by C. S. L. at a pretrial hearing. This is somewhat novel in the handling of admiralty cases. However, Judge Jones felt that the only way that such an offer could be properly presented and voted upon would be through such a procedure. About 90% of the claimants accepted the offer within a matter of minutes. Apparently the amount of the offer is ample to compensate the insurance companies at interest for their losses as well as the injury and death claims.

### "Comp" Deputy Suspended

LANSING, MICH. — Joseph A. Craigen of Detroit, a deputy workmen's compensation commissioner, has been suspended by the commission on the ground he had accepted kickbacks from a legal firm.

Theodore P. Ryan, commission chairman, said Craigen and two partners in a Detroit legal firm had admitted that Craigen had referred 10 compensation claimants to the firm and had accepted fees aggregating \$1,218 from the lawyers between 1946 and 1949. Ryan said Craigen had voluntarily halted the practice and he called Craigen "one of our best men." He said the civil service commission would be asked to rule on whether Craigen must be dismissed. He has been with the commission since 1937 except for two years.

### J. E. Meyer Home Director

J. Edward Meyer, president of Cord Meyer Development Co., New York, has been elected a director of Home. Leonard Peterson, vice president, controller and director of Home, has been elected a director of Home Indemnity.

### F. & C. Issues New 3D Manual

Fidelity & Casualty has released to agents a revised edition of its "3D" sales and rate manual. The manual sets forth reasons why agents should sell the "3D" policy instead of individual policy contracts. It also includes a sample short form sales presentation and a chart showing the various coverages under the contract.

Robert Romig has joined the west central branch of State Farm Mutual Automobile as field adjuster at Hutchinson, Kan. He had been practicing law. His father is Kansas state director for State Farm Mutual.

The superior court at Los Angeles will hold a hearing Jan. 25 on an application for liquidation of Pacific Physicians Service, seized by the California department late last year.

## Conferees Untying WSB Group Knots

WASHINGTON — Conferences between insurance company representatives and members of the wage stabilization board staff have resulted in solutions satisfactory to the insurers of problems arising in connection with the WSB regulation and resolution. Indications are that there will be no trouble from the advantage which some insurance people interpreted the regulation and resolution as giving to Blue Cross plans as against insurance companies.

### Rough to United Pacific

Stuart S. Rough has become surety assistant in the Wilshire branch of United Pacific at Los Angeles. He is a specialist in judicial surety. For three years he was assistant manager of surety for Continental Casualty at Los Angeles, and for a year and a half was special agent for Fidelity & Deposit there.

### Norris to General Agency

William A. Norris is joining the Norman F. Penny general agency at Mineola, N. Y., as a vice-president. For the past four years he has been reinsurance manager at New York for F. & D. A graduate of Harvard school of

business administration, he has been in the business since 1927. Before joining F. & D. in 1947 he was field secretary of National Assn. of Insurance Brokers. Before that he was with Aetna Casualty on Long Island.

### A. S. Blank of Omaha Buys Reserve of Chicago

Major interest in Reserve of Chicago has been purchased by Allan S. Blank of Omaha. Mr. Blank is head of National Security Ins. Assn., Omaha reciprocal. Reserve, organized in 1919 as a mutual casualty company and reorganized as a stock company in 1945, has been headed by Theodore G. Gaines.

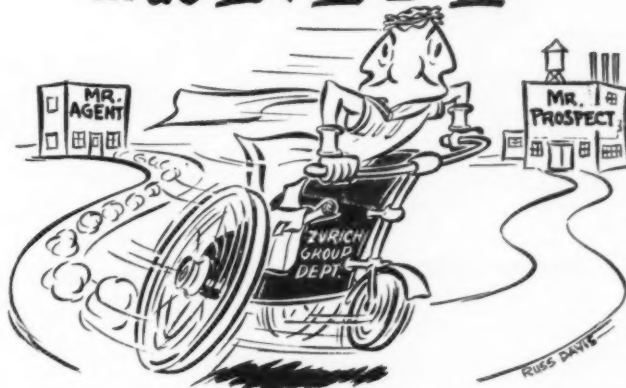
The company's assets at Dec. 31, 1950, were \$1,717,000. Surplus to policyholders totaled \$336,000 and net premiums written were \$1,721,000. About one-half of Reserve's business is A. & H.

Joseph H. Hinshaw, president of Illinois Bar Assn., spoke at a dinner meeting Wednesday of Casualty Adjusters Assn. of Chicago.

Carl F. Pritting has been elected secretary of the Theodore Steeg & Son agency at Buffalo, succeeding Mrs. Lucille S. Fullington. He joined the agency six years ago.

Insurance Women of Los Angeles have started a class in inland marine coverages with Nora Peach as instructor.

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# INSURANCE NEWS BY SECTIONS

## EASTERN STATES ACTIVITIES

### Mutuals Seek Law to Offset Mass. Installment Ruling

Representatives of mutual companies in Massachusetts are seeking legislative action to offset a state supreme court ruling requiring that mutual fire and casualty companies collect premiums in cash in advance unless they take notes. The ruling in effect barred all mutuals from using installment plans in Massachusetts, and also kept Massachusetts mutuals from using such plans anywhere.

A proposed bill would add the following words to the sections of the code dealing with premium payments: "provided that this section shall not be construed to prohibit extension of credit to policyholders with respect to such premium."

There has been no opposition to the bill, filed by Patrick J. Kelley, associate counsel of Liberty Mutual. It is expected that the legislature will enact the bill so that it may become law before the supreme court holds a rehearing on the installment decision, slated for March 10.

It is the opinion of some lawyers that under the present law mutual insurers may not even extend the usual 30-day credit to their customers.

### Cronin in Mass. Field

In the Jan. 3 issue it was incorrectly reported that Fred T. Cronin, special agent of Merrimack Mutual Fire, was promoted to executive special agent in the Carolinas and Georgia. Mr. Cronin is special agent operating from the home office at Andover, Mass., and has been promoted to executive special agent in that territory.

Hubert C. Covington, special agent for the Carolinas and Georgia, has been promoted to executive special agent in that territory.

### New John Roane Office

The John Roane adjusting firm of Baltimore has opened an office at Lynchburg, Va., in the Forehand building. Joseph H. Purks, who has been in the adjusting field since 1941, most recently in charge of fire and inland marine adjustments for the Nichols, independent adjusting firm at Washington, is in charge at Lynchburg for the Roane organization.

### New Binghamton Officers

Binghamton (N. Y.) Assn. of Insurance Agents has elected new officers: President, Richard W. Couper; vice-president, Paul J. Brooks; secretary, A. Merle Rush, and treasurer, William A. Orband.

It endorsed legislation proposed to tighten the New York state motor vehicle laws.

### N. J. Insurance Committees

Members of the New Jersey legislative insurance committees are:

Senate—David Van Alstyne, Frank S. Farley, Alfred B. Littell, Anthony Cafiero and Edward J. O'Mara.

Assembly—Walter H. Jones, William F. Tompkins, Samuel S. Saiber, Milton L. Silver and Frank Thompson.

### Bartlett D. C. Speaker

WASHINGTON—District of Columbia Assn. of Insurance Agents heard N. Edward Bartlett, assistant secretary of Maryland Casualty, discuss coverage available under 3-D contracts.

The Feb. 15 luncheon meeting will be addressed by William W. Ellis, Aetna Casualty, on "The Three S's of Salesmanship."

Vic Schinnerer, the president, inaugurated participation in TV programs, when he discussed auto accidents and insurance coverage, pointing out the public, not insurance companies, sets auto liability and collision rates.

Second semester of C.P.C.U. courses at George Washington University begin early in February, with instruction in insurance principles and practices, parts 1 and 2, and accounting and finance, part 3.

### Resume Boston Courses

Educational activities of Insurance Library Assn. of Boston will be resumed Jan. 31 when L. B. Pinckney of Berkshire Life will conduct a four-week discussion of A. & H. insurance. James Nicol, Employers Liability, will discuss steam boiler and electric machinery, water damage and sprinkler leakage, the following month, and for the next four weeks Arthur J. King of Massachusetts Bonding will cover burglary, theft and robbery, plate glass.

Another course will start Feb. 5 continuing for 10 weeks with John Mackey of Boston Ins. Co. lecturing on inland marine.

### Auto Problems Discussed

Problems of automobile underwriting were reviewed at a dinner meeting at Hartford of the Connecticut C.P.C.U. chapter.

H. J. Doolittle, engineering consultant and superintendent of the survey department of Aetna Fire, and Richard E. Farrer, director of education of National Fire, led the discussion forum.

## SOUTH

### Jacksonville Rejects Local Board Placement

Over the opposition of a delegation representing Jacksonville Insurers Assn., the city commission of Jacksonville, Fla., renewed a three-year policy on boilers and machinery through the agency of Reese, Mason & Richardson. The premiums are about \$76,000. The delegation asked that the commissions be divided with Jacksonville Insurers Assn. Commissioner Claude Smith, who is an attorney, said this would be the same as asking him to turn over his legal fees to Jacksonville Bar Assn. Reese, Mason & Richardson has had the business 16 years.

The question had been broached at a regular meeting of the commission, but the decision was postponed until a special meeting. Mayor Burns said he had suggested the delay since he thought there might be some proposals that would save money or improve the insurance service. He said he was disappointed that there was no evidence shown of any interest in saving money for the city or improving the service.

### Form Va. C.P.C.U. Chapter

A Virginia C.P.C.U. chapter has been formed at Richmond. Edgar N. Taylor, manager of Aetna Casualty, Richmond, is president; Fred M. Davis, Davis, Childs & Co., Lynchburg, vice-president, and Jack F. Derrickson, New Amsterdam Casualty, Richmond, secretary.

### Rate Problem at Atlanta

Alderman Cobb C. Torrance, who is president of Atlanta Assn. of Insurance Agents, has been appointed chairman of the insurance rates committee of the city of Atlanta. Councilman John A.

White, also a member of the association, is vice-chairman.

The committee's problem is most acute, as the city recently annexed 82 square miles of territory which is not up to fire protection standards. Voters in the annexed area were led to believe that rates would be reduced automatically upon joining the city.

Three new pumpers already have been placed in the new area, and approval has been given to a \$5 million water main program. National Board engineers have not yet released their survey of the new area.

### Deep South C.P.C.U. Chapter Organized at New Orleans

The Deep South C.P.C.U. chapter at New Orleans has been organized with A. L. Schlesinger, Jr., of the Latter & Blum agency elected president; William H. V. Van Leeuwen, Hardware Mutuals, vice-president, and George Howard, Fox-Everett agency, secretary. The three officers with Joseph P. Schwartz and James E. Hassinger, Jr., comprise the directors.

The territory allotted to the Deep South chapter includes all of Louisiana, Mississippi as far as Jackson, and Alabama as far as Montgomery. In addition to members in New Orleans, the chapter has members at Shreveport, La.; Jackson, Miss., and Mobile, Ala.

### New La. Claim Office

McCulley-Vinson Claim Service has opened a new office in the Gulf National Bank building, Lake Charles, La. This is the third service office of the organization which has headquarters at Shreveport.

Stanley Russell has been named manager at Lake Charles. He has had more than 20 years adjusting experience.

## MIDDLE WEST

### Fishdick Named Milwaukee Board Executive Secretary

John R. Fishdick, local agent at Eagle River, Wis., and in insurance for 20 years, has been appointed executive secretary of Milwaukee Board of Underwriters. In addition to his insurance work, Mr. Fishdick, has had experience in other sales and in public relations work.

For the past ten years the board office was in charge of Lawrence W. Grundle as assistant secretary until his recent resignation to join the insurance department of Dick & Reutemann Co., Milwaukee.

### Minn. Farm Mutuals to Meet

The annual meeting of State Assn. of Farm Mutual Insurance Companies of Minnesota will be held at St. Paul Jan. 24-25.

### Hear Police Lieutenant

Lt. Bernard Clark, safety director of the Wichita police department, talked at a meeting of Wichita Assn. of Insurance Agents on the increase in automobile accidents and traffic fatalities at Wichita.

Paul R. Raines and Paul O. Grodt have opened the Raines & Grodt agency at Des Moines. Mr. Raines has been an agent of Travelers for five years and has been in insurance since 1930. Mr. Grodt has been with the claim department of Travelers since 1949.

## COAST

### Los Angeles Association Names Willcuts President

LOS ANGELES—Insurance Assn. of Los Angeles at its annual meeting broke 50 years of precedent by naming one of its women members to the second highest place in the official family.

Officers elected, who were installed by President Robert E. Battles of the California association, the oath of the office being administered by Commissioner Maloney, are: President, Dee B. Willcuts; vice-president, Muriel Bixby Clark; directors, James P. Bennett, (retiring president), Hugo Burgwald, Jr., A. N. Bushnell, Jr., Spencer Lawson, Roy E. Orlander, James Pingree, Earl Smythe, C. J. Turner and Thomas Branch.

President Bennett gave a brief review of the work of the year and Chairman Roy E. Orlander of the educational committee presented awards to the winners in an essay contest on "Why I Should Buy My Insurance from Agent or Broker." First place went to Helen Benson Nentwig; second to James Dearie, and third place was shared by Esther MacDonald and Robert Baggs. The awards were \$100, \$50, and \$25 savings bonds.

Mr. Bennett was presented a wrist watch.

### Landis Leaves Utilities Post

Philip F. Landis, senior member of Landis, Pelletier & Parrish, general agency, has declined reappointment as president and member of the public utilities commission of San Francisco. He has just completed a four-year term. He directed the activities of the commission in one of its most trying periods, including complete rehabilitation of mass transportation systems, the San Francisco airport and other agencies.

### Will Inspect S.F. Brewery

Fire Underwriters Forum of San Francisco, representing the underwriters and juniors of most of the fire company offices in San Francisco, will inspect the Acme Brewery Jan. 19. These tours are under the direction of the educational committee, of which Carl E. Endermann, Pacific National Fire, is chairman.

At the second session on business interruption insurance, the topic was presented from the underwriting, claims and rate making angles by Ken Withers, George Mulcahey, J. A. Wilson and Fay Hawkins.

### Harbor Names 3 Managers

Harbor Ins. Co. of San Diego, organized as a casualty company in 1946, operating on a general agency basis, has established managerial offices at Oakland, Los Angeles and San Diego, and is entering the fire and allied lines field.

George H. McDonough, formerly with the Thomas Humphreys general agency, has been named manager for northern California at Oakland. R. W. Bachman is manager at Los Angeles and John D. Kyselo at San Diego.

### King County Assn. Correction

It was erroneously reported in last week's issue that W. H. Crockett was elected vice-president and LeRoy Hunter secretary of King County Insurance Assn. at the annual meeting at Seattle. Actually Mr. Hunter was named vice-president and Robinson C. Jenner secretary. Mr. Crockett was chosen as a new trustee, along with William M. Dow and J. Glen Liston. William C. Greer was correctly reported as having been elected president.



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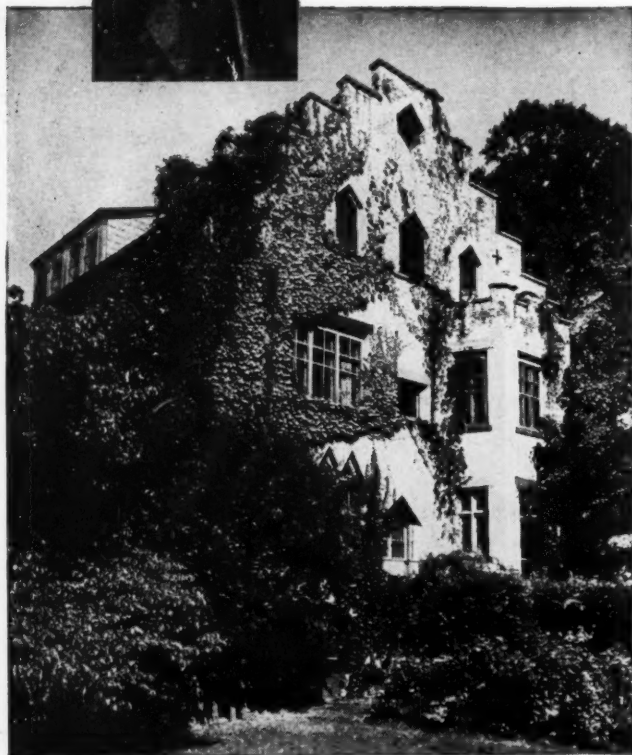
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## "Go West" Greeley

the old wood chopper

of Chappaqua



Nast cartoon of Washington and Greeley was captioned, "History repeats itself. Both fond of chopping trees, and neither of them could tell a lie."



The Home, through its agents and brokers, is America's leading insurance protector of American homes and the homes of American industry.

TO BE GREETED as "Uncle Horace" always pleased Greeley and indicated the public's affection for the editor of the powerful New York *Tribune*. His peculiar garb and cherubic, whisker-ringed face made him the caricaturist's favorite; his high voice won him the nickname Squeak; but it has been said that "no other man in his time exercised so great an influence." Although he was responsible for advancing other men's careers—notably he secured Lincoln's nomination for the presidency—the only political office he held was a brief term as Congressman.

Born in Amherst, New Hampshire in 1811, Greeley started as apprentice printer when only fourteen and at twenty came to New York with his possessions tied in a handkerchief. His tattered clothes cost him many jobs but men who hired him found him an able printer and he soon had his own shop. In 1841 he founded the *Tribune* which under his editorship set a lofty standard.

As a supporter of causes Greeley molded opinion and his reiterated advice to "go west" was often heeded yet in his own home he declared he had no voice "unless I fight for it and not even then." The house in Chappaqua, New York, where he lived for twenty years was selected to please his wife, a complaining invalid devoted to spiritualism and health cures, but it failed to interest her. To Greeley, however, his property was a joy for here he could indulge his fondness for farming and for chopping wood. "The ax," he used to say, "is my doctor and my delight."

In 1872 when Greeley ran against Grant for the presidency, he made a short speaking tour and was so violently attacked as a "beggar for office" that he said, "I hardly know whether I am running for the presidency or the penitentiary." He was defeated and died a few weeks afterwards.

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